

**APPENDIX A**  
**IFB SAMPLE CONTRACT**



CONTRACT BY AND BETWEEN

COUNTY OF LOS ANGELES  
COMMUNITY AND SENIOR SERVICES  
AND

---

ENTITLED

HEALTH INSURANCE COUNSELING AND ADVOCACY PROGRAM

CONTRACT NUMBER \_\_\_\_\_

CONTRACT PERIOD JULY 1, 2014 – JUNE 30, 2018

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SIGNATURES

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### **STANDARD EXHIBITS**

Exhibit A (Statement of Work)

Exhibit B (Budget)

Exhibit C (Mandated Program Services)

Exhibit D (Contractor's Equal Employment Opportunity Certification)

Exhibit E (County's Administration)

Exhibit F (Contractor's Administration)

Exhibit G (Contractor Acknowledgement and Confidentiality Agreement)

Exhibit H (Contractor Employee Jury Service)

Exhibit I (Safely Surrendered Baby Law Fact Sheet)

### **UNIQUE EXHIBITS**

Exhibit J (Definitions)

Exhibit K (Accounting, Administration and Reporting Requirements)

Exhibit L (Joint Funding Revenue Disclosure)

Exhibit M (Purchase, Inventory and Disposal Requirements for Fixed and Non-Fixed Assets and Supplies)

Exhibit N (Inventory Control Form)

Exhibit O (Charitable Contributions Certification)

Exhibit P (Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"))

Exhibit Q (Certification of Compliance with County's Defaulted Property Tax Reduction Program)

Exhibit R (Contract Management System - Contractor's Gateway Terms and Conditions of Use)

Exhibit S (Intentionally Omitted)

## RECITALS

This Contract, which includes its Exhibits, is made and entered into this **[@ Contract\_Date @]** by and between the parties below:

**County of Los Angeles**  
**Community and Senior Services**  
(hereafter "County")

County's Business Address:  
**3175 West Sixth Street**  
**Los Angeles, Ca 90020**

and

**[@ Supplier Name @]**  
(hereafter "Contractor")

Contractor's Business Address:  
**[@ Supplier Address Line1 @]**  
**[@ Supplier City @], Ca [ @ Supplier Zip Code @]**

WHEREAS, pursuant to the California Government Code Section 26227, County may operate programs which are determined to serve public purposes and County may contract with agencies for the provision of such services; and

WHEREAS, pursuant to the provisions of the Older Americans Act Title 42 United States Code Section 3001 et seq. (hereafter "OAA") and the Mello-Granlund Older Californians Act California Welfare and Institutions Code Section 9000 et seq. (hereafter "OCA"), the California Department of Aging (hereafter "CDA" or "State") is authorized to administer elements of the OAA and OCA as it relates to the provision of counseling and advocacy services on a statewide basis to address Medicare, private health insurance and related health care coverage plans as well as the preservation of service integrity to Medicare beneficiaries and those imminent of becoming Medicare eligible (hereafter "Services"); and

WHEREAS, County has established its Health Insurance Counseling and Advocacy Program (hereafter "HICAP" or "Program"), and County has entered into an agreement with State wherein State has approved County's Area Plan for Aging Program Services and has authorized County to implement its plan, oversee the Program and provide Services to Clients, as defined in Exhibit A (Statement of Work); and

WHEREAS, the Program and Services shall be governed by the following regulations: OAA; OCA; Title 45 Code of Federal Regulations (CFR) Section 1321; Omnibus Budget Reconciliation Act of 1990 (Public Law 101-508 Section 4360) (hereafter "OBRA"); Medicare Improvements for Patients and Providers Act of 2008 (Public Law 110-275 Section 119) (hereafter "MIPPA"); Social Security Act Section 1115A; Patient Protection and Affordable Care Act Section 3021 (Public Law 111-148); Coordinated Care Initiative (enacted through Senate Bill 1008 [Chapter 33, Statutes of 2012] and Senate Bill 1036 [Chapter 45, Statutes of 2012] and codified in California Welfare and Institutions Code Section 14182.17); Medicare Enrollment Assistance Program; and, all regulations and directives thereto which are promulgated by the United States Department of Health and Human Services, State and County; and

WHEREAS, County has received funding to establish, implement and oversee the Program and Services and such funding has been authorized by the following regulations: OBRA; California Welfare and Institutions Code Section 9757.5 (a) - (h); Social Security Act Section 1115A; Medicare Enrollment Assistance Program; and, MIPPA; and,

WHEREAS, County shall implement and oversee the Program and Services within its jurisdictional boundaries and, to this end, County has procured Contractor in order to enter into this Contract with Contractor whereby Contractor shall provide these Services in accordance with all regulations, directives and Program guidelines thereto promulgated by Federal, State and County authorities; and

WHEREAS, Contractor warrants that it possesses the competence, expertise and personnel necessary to provide such Services; and

WHEREAS, Contractor further warrants that throughout the entirety of this Contract, Contractor shall establish and implement written administrative, management and personnel policies and procedures to govern the management and administration of the Program in order to ensure that all goals and objectives are achieved as contracted; and

WHEREAS, on **[Board Date]**, the Los Angeles County Board of Supervisors authorized the Director of the County of Los Angeles Community and Senior Services (hereafter "County's Department Head") or his/her designee to enter, execute and administer this Contract.

NOW therefore, in consideration of the mutual promises, covenants and conditions set forth herein, the parties hereto agree as follows:

## **1.0 APPLICABLE DOCUMENTS**

- 1.1 Exhibits A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R and S (intentionally omitted) are attached to and form a part of this Contract. This Contract and the Exhibits (hereafter "this Contract") constitute the complete and exclusive statement of understanding between the parties, which supersedes all previous agreements, written or oral, and all other communications between the parties relating to the subject matter of this Contract. No change to this Contract shall be valid unless prepared pursuant to Paragraph 8.1 (Amendments) and signed by both parties.
- 1.2 Contractor's Bid submitted in response to the [@ Program Name @] Invitation for Bids (IFB) is incorporated and made part of this Contract. Contractor's misrepresentation of any required element in its Bid submitted in response to the IFB shall be considered an event of default and this Contract may be terminated in whole or in part pursuant to available remedies provided in Paragraph 8.43 (Termination for Default).
- 1.3 The headings, page numbers, Paragraph and Sub-paragraph numbers contained in this Contract are for convenience and reference only and are not intended to define the scope of any provision herein.
- 1.4 References in this Contract to Federal, State, County and/or other governmental laws, rules, regulations, ordinances, guidelines and/or directives shall mean such laws, rules, regulations, ordinances, guidelines and/or directives as amended from time to time.
- 1.5 Unless expressly stated otherwise, all approvals, consents and determinations made by or on behalf of County, under this Contract, shall be in writing, and shall be given or made in the sole discretion of the person or

County agency authorized to provide such approval or consent.

1.6 In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, Service, or other work, or otherwise between the base Contract and the Exhibits, or between Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to this Contract and then to the Exhibits according to the following priority:

- 1.6.1 Exhibit A (Statement of Work)
- 1.6.2 Exhibit J (Definitions)
- 1.6.3 Exhibit B (Budget)
- 1.6.4 Exhibit C (Mandated Program Services)
- 1.6.5 Exhibit P (Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"))
- 1.6.6 Exhibit G (Contractor Acknowledgement and Confidentiality Agreement)
- 1.6.7 Exhibit K (Accounting, Administration and Reporting Requirements)
- 1.6.8 Exhibit M (Purchase, Inventory and Disposal Requirements for Fixed and Non-Fixed Assets and Supplies)
- 1.6.9 Exhibit R (Contract Management System - Contractor's Gateway Terms and Conditions of Use)
- 1.6.10 Exhibit E (County's Administration)
- 1.6.11 Exhibit F (Contractor's Administration)
- 1.6.12 Exhibit H (Contractor Employee Jury Service)
- 1.6.13 Exhibit D (Contractor's Equal Employment Opportunity Certification)
- 1.6.14 Exhibit I (Safely Surrendered Baby Law Fact Sheet)
- 1.6.15 Exhibit Q (Certification of Compliance with County's Defaulted Property Tax Reduction Program)
- 1.6.16 Exhibit L (Joint Funding Revenue Disclosure)
- 1.6.17 Exhibit N (Inventory Control Form)
- 1.6.18 Exhibit O (Charitable Contributions Certification)
- 1.6.19 Exhibit S (Intentionally Omitted)

## 2.0 DEFINITIONS AND HEADINGS



- 2.1 The headings herein contained are for convenience and reference only and are not intended to define the scope of any provision thereof. Exhibit J (Definitions) provides the meaning of key words used herein. These definitions shall be construed to have the meaning provided, unless otherwise apparent from the context in which they are used, or specifically noted herein.

### **3.0 WORK**

- 3.1 Pursuant to the provisions of this Contract, Contractor shall fully perform, complete and deliver on time, all tasks, deliverables, Services and other work as set forth herein.
- 3.2 If Contractor provides any tasks, deliverables, goods, Services, or other work, other than as specified in this Contract, the same shall be deemed to be a gratuitous effort on the part of Contractor, and Contractor shall have no claim whatsoever against County.
- 3.3 In the performance of this Contract, Contractor shall comply with the following (which may be amended, modified or revised from time to time by County and/or other funding authorities): all terms and conditions of this Contract (including all terms contained in the Exhibits hereto) as well as those imposed and required by County and/or other funding authorities; all Program provisions; implementing regulations; grant requirements; and, all relevant rules and policies.
- 3.4 Time is of the essence in the provision and completion of the Work provided to County as stipulated in this Contract, as is the timely conveyance of reporting deliverables to County, as also stipulated in this Contract.
- 3.5 Intentionally Omitted
- 3.6 Intentionally Omitted

### **4.0 TERM OF CONTRACT**

- 4.1 The term of this Contract shall be four (4) years commencing on July 1, 2014, upon execution by the parties, and shall continue through June 30, 2018, unless sooner terminated or extended, in whole or in part, as provided in this Contract.
- 4.2 Intentionally Omitted
- 4.3 County maintains databases that track/monitor Contractor's performance history. Information entered into such databases may be used for a variety of purposes, including determining whether County will exercise a Contract term extension option.
- 4.4 Contractor shall notify County when this Contract is within six (6) months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, Contractor shall send written notification to County's Contract Manager at the address herein provided in Exhibit E (County's Administration).

### **5.0 CONTRACT SUM**

#### **5.1 Cost Reimbursement Contract**

- 5.1.1 County and Contractor agree that this is a cost reimbursement Contract. County and Contractor further agree that all expenditures represent Contractor's true, actual and supported costs which are incurred solely for providing Services

hereunder. For purposes of this Contract, such true/actual costs are those costs which are net of any applicable credits including, but not limited to, discounts, refunds, adjustments, etc. County shall reimburse Contractor for supplying the Services as set forth in Exhibit A (Statement of Work) and Exhibit B (Budget). In the event that County or any of its duly authorized representatives (including, but not limited to, Federal, State and other County agents) notes any discrepancy(ies) between Contractor's true/actual costs and the costs which have been reimbursed to Contractor then County shall remedy such discrepancy(ies) at County's sole discretion.

## **5.2 Funding Allocations**

### **5.2.1 Maximum Contract Sum**

5.2.1.1 During the term of this Contract, Contractor shall receive funding for providing the Services outlined in this Contract (hereafter "Contract Funds"). Contract Funds shall be allocated to Contractor on an annual basis for each Fiscal Year (hereafter "Maximum Annual Contract Sum"). The Maximum Annual Contract Sum for the first Fiscal Year of this Contract is **\$[@ Year 1 Annual Sum @]**. The Maximum Annual Contract Sum for each Fiscal Year following the first Fiscal Year is projected to remain at the level of **\$[@ Year 1 Annual Sum @]**. The combined total of all Maximum Annual Contract Sums to be allocated during the term of this Contract is estimated to be **\$[@ Maximum Contract Sum @]** (hereafter "Maximum Contract Sum"). Contractor acknowledges that both the projected funding for each year after the first year and the projected combined total of all Maximum Annual Contract Sums are estimates only.

5.2.1.2 Pursuant to Paragraph 8.1 (Amendments), County may amend this Contract upon occurrence of any changes to the Contract Funds. Future allocations of Contract Funds will be contingent upon the availability and appropriation of funds from Federal, State and/or local authorities and may be subsequently adjusted to reflect available funding.

### **5.2.2 Year 1 Maximum Annual Contract Sum Funding Source(s)**

5.2.2.1 The Maximum Annual Contract Sum for the first Fiscal Year of this Contract (hereafter "Year 1") is comprised of monies which are identified by the funding source(s) or governing statute(s) listed below. The funding source(s) and governing statute(s) authorize County to use these monies to provide Program Services.

5.2.2.2 HICAP Reimbursement Insurance Fund monies (California Welfare and Institutions Code Section 9757.5 (a) - (h)): **\$[@ Year 1 Annual Sum (HICAP Reimbursement Insurance Fund) @]**

5.2.2.3 Federal HICAP State Health Insurance and

Assistance Programs Fund monies (California Welfare and Institutions Code Section 9757.5 (a) - (h)): **\$[@ Year 1 Annual Sum (Federal HICAP SHIP Fund) @]**

5.2.2.4 State HICAP Fund monies (California Welfare and Institutions Code Section 9757.5 (a) - (h)): **\$[@ Year 1 Annual Sum (State HICAP Fund) @]**

5.2.2.5 HICAP Financial Alignment funds (Social Security Act Section 1115A): **\$[@ Year 1 Annual Sum (HICAP Financial Alignment) @]**

5.2.2.6 MIPPA monies (Medicare Enrollment Assistance Program): **\$[@ Year 1 Annual Sum (MIPPA) @]**

5.2.2.7 2 MIPPA monies (Affordable Care Act - Medicare Improvements for Patients and Providers): **\$[@ Year 1 Annual Sum (2MIPPA) @]**

### **5.3 Catalog of Federal Domestic Assistance (CFDA) Program Number(s)**

5.3.1 Contract Funds, either in whole or in part, are identified as Federal monies. The Federal portion(s) of the Contract Funds has been assigned both a CFDA program number (which identifies and describes the Federal assistance that is available to various entities) and a Federal Grantor office (which provides oversight and administration for these Federal monies). When Contractor and its subcontractor(s), if any, are being audited by an independent auditor, Contractor shall provide the following CFDA program information to the independent auditor: CFDA program number; and, name of the assigned Federal Grantor office. This CFDA program information is outlined herein and is only available for the Federal portion(s) of the Contract Funds. In the event that the CFDA program information is not listed herein for all of the Federal monies included in the Contract Funds then the excluded monies are not Federal monies and therefore the CFDA program information is not applicable to them.

#### **5.3.2 CFDA Program Number(s) and Federal Grantor Funding Source(s)**

5.3.2.1 The CFDA program number for the portion of the Contract Funds identified as HICAP Reimbursement Insurance Fund, Federal HICAP SHIP Fund and State HICAP Fund is **93.779-Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations**. The Federal Grantor funding source for these Contract Funds is the **United States Department of Health and Human Services, Centers for Medicare and Medicaid Services**.

5.3.2.2 The CFDA program number for the HICAP Financial Alignment portion of the Contract Funds is **93.626 - Affordable Care Act State Health Insurance Assistance Program (SHIP) and**

**Aging and Disability Resource Center (ADRC) Options Counseling for Medicare-Medicaid Individuals in States with Approved Financial Alignment Models.** The Federal Grantor funding source for these Contract Funds is the **United States Department of Health and Human Services, Centers for Medicare and Medicaid Services.**

5.3.2.3 The CFDA program number for the MIPPA portion of the Contract Funds is **93.071 - Medicare Enrollment Assistance Program.** The Federal Grantor funding source for these Contract Funds is the **United States Department of Health and Human Services, Administration for Community Living.**

5.3.2.4 The CFDA program number for the 2MIPPA portion of the Contract Funds is **93.518 - Affordable Care Act - Medicare Improvements for Patients and Providers.** The Federal Grantor funding source for these Contract Funds is the **United States Department of Health and Human Services, Administration for Community Living.**

#### **5.4 Assumption or Takeover**

5.4.1 Contractor shall not be entitled to payment or reimbursement for any tasks or Services performed, nor for any incidental or administrative expenses whatsoever incurred in or incidental to performance hereunder, except as specified herein. Assumption or takeover of any of Contractor's duties, responsibilities, or obligations, or performance of same by any entity other than Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever, shall occur only with County's express prior written approval.

#### **5.5 Limitations on Use of Contract Funds**

5.5.1 Contract Funds may only be used for the purposes set forth herein, and must be consistent with the statutory authority for the Program.

5.5.2 Expenditures made by Contractor in the operation of this Contract shall be in compliance and in conformity with applicable Federal Office of Management and Budget (OMB) Circulars as well as applicable provisions of the Code of Federal Regulations (CFRs). Contractor shall comply with the Administrative Requirements and Cost Principles which are outlined in Exhibit K (Accounting, Administration and Reporting Requirements), and shall adhere to the strict administrative and fiscal standards described therein. Contractor shall comply with the following requirements (as applicable to Contractor's organization): cost principles outlined in OMB Circular A-21 (relocated to 2 CFR 220), OMB Circular A-87 (relocated to 2 CFR 225), OMB Circular A-122 (relocated to 2 CFR 230), 48 CFR 31 or 45 CFR 74 Appendix E; administrative requirements outlined in OMB Circular A-102, OMB Circular A-110 (relocated to 2 CFR

215), 29 CFR 95 or 29 CFR 97; and, audit requirements outlined in OMB Circular A-133. Contractor shall be responsible for obtaining the most recent version of these OMB Circulars and CFRs, which are available via the Internet at <http://www.whitehouse.gov/omb/circulars/index.html>. Contractor shall also comply with the applicable requirements and standards referred to in 45 CFR 1321.5 (Grants to State and Community Programs on Aging).

### **5.5.3 Limitations on Contract Sums**

5.5.3.1 Contractor shall not be paid for any Contract expenditures that exceed the Maximum Contract Sum. County has no obligation, whatsoever, to pay for any expenditures that exceed the Maximum Contract Sum. Any expenditures that exceed the Maximum Contract Sum shall become the sole fiscal responsibility of Contractor.

5.5.3.2 Contractor shall not be paid for any Contract expenditures that exceed the Maximum Annual Contract Sum. County has no obligation, whatsoever, to pay for any expenditures that exceed the Maximum Annual Contract Sum. Any expenditures that exceed the Maximum Annual Contract Sum shall become the sole fiscal responsibility of Contractor. Contractor shall only expend Contract Funds during the Fiscal Year or Program Year for which it is allocated. When Contractor does not expend funding up to the Maximum Annual Contract Sum appropriated for the Fiscal Year or Program Year, that unspent amount will not carry forward (or roll-over) to the following Fiscal Year or Program Year.

### **5.5.4 Prohibitions on Contract Funds**

5.5.4.1 Contractor shall comply with Public Law (PL) 101-121 (31 USC 1352), its amendments or revisions, and any implementing regulations, prohibiting the use of Federal money to influence or attempt to influence a member of Congress, Congressional staff, or a Federal employee to award, make or amend any Federal contract, grant, loan or cooperative agreement. Contractor shall also comply with all certification and disclosure requirements of PL 101-121, its amendments, revisions, and implementing regulations, and shall provide assurance that all subcontractors or sub-grantees under this Contract also fully comply with such certification and disclosure requirements.

5.5.4.2 No materials, property, or Services contributed to County or Contractor under this Contract shall be used in the performance of any of the following: any political activity; the election of any candidate or the defeat of any candidate for public office; and, no materials, property, or Services contributed to County or Contractor under

this Contract shall be used for the transportation of any voters or prospective voters to polls or other similar assistance in connection with an election or any voter registration activity.

5.5.4.3 Contract Funds may not be used for matching funds for any Federal, State, County or local grants/cooperative agreements, lobbying or intervention in Federal regulatory or adjudicatory proceedings.

5.5.4.4 Contract Funds may not be used to sue the Federal government or any other government entity.

5.5.4.5 Pre-award costs are not an allowable use for Contract Funds.

## **5.6 75% of Contract Authorization**

5.6.1 Contractor shall maintain a system of record keeping that will allow Contractor to determine when it has incurred seventy-five percent (75%) of the total Contract authorization under this Contract (the Maximum Annual Contract Sum and the Maximum Contract Sum). Upon occurrence of this event, Contractor shall send written notification to County's Contract Manager at the address herein provided in Exhibit E (County's Administration).

## **5.7 No Payment for Services Provided Following Expiration or Termination of Contract**

5.7.1 Contractor shall have no claim against County for payment of any money or reimbursement, of any kind whatsoever, for any Service provided by Contractor after the expiration or other termination of this Contract. Should Contractor receive any such payment, it shall immediately notify County's Contract Manager and shall immediately repay all such funds to County. Payment by County for Services rendered after expiration or termination of this Contract shall not constitute a waiver of County's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Contract.

## **5.8 Other Contracts**

5.8.1 Contractor shall immediately notify County's Contract Manager in writing of any contracts between Contractor and other public or private organizations which directly impact activities funded under this Contract. A copy of any such contracts shall be kept on file at Contractor's offices and shall be provided to County upon request. Contractor shall also immediately notify County's Contract Manager in writing of any default, termination, or finding of withheld payments under such contracts between Contractor and other public or private organizations which directly impact activities funded under this Contract.

5.8.2 Contractor warrants that no other funding source will be billed for Services that are provided to and paid for by County under this Contract.

## **5.9 Joint Funding Revenues**

- 5.9.1 Funds made available under this Contract shall supplement and not supplant any other Federal, State or local funds expended by Contractor to provide Program Services. Contractor certifies that it has applied, or expects to apply, to offset in whole or in part, any of the costs incurred by Contractor in conducting current or prospective projects or business activities, including, but not necessarily limited to, the project or business activity which is the subject of this Contract. To this end, Contractor shall complete Exhibit L (Joint Funding Revenue Disclosure) prior to the commencement of this Contract (and annually thereafter). Contractor shall submit the completed Exhibit L (Joint Funding Revenue Disclosure) to County's Contract Manager in the time and manner as designated by County.

## **5.10 Invoices and Payments**

- 5.10.1 Contractor shall invoice County only for providing the tasks, deliverables, goods, Services, and other work specified in Exhibit A (Statement of Work) and elsewhere hereunder. Contractor shall prepare invoices, which shall include the charges owed to Contractor by County under the terms of this Contract. Payments to Contractor shall be based on the information provided by Contractor as established in Exhibit B (Budget), and Contractor shall be paid only for the tasks, deliverables, goods, Services, budgeted items and other work approved in writing by County. If County does not approve the Work in writing, no payment shall be due to Contractor for that Work.
- 5.10.2 Contractor's invoices shall be priced in accordance with the information provided in Exhibit B (Budget).
- 5.10.3 Contractor's invoices shall contain the information set forth in Exhibit A (Statement of Work) and Exhibit B (Budget), describing the tasks, deliverables, goods, Services, Work hours, budgeted items and facility and/or other work for which payment is claimed.
- 5.10.4 **Submission of Invoices**
- 5.10.4.1 Contractor shall prepare monthly invoices, along with any necessary supporting documentation for each invoice, for Contractor's Work performed under the requirements of this Contract. Contractor shall submit all invoices to County in the form and manner as directed by County by the 10th calendar day of the month following the month of Service (e.g., Contractor shall submit an invoice for Services provided in October by November 10th for reimbursement). Contractor shall also submit the final, year-end invoice to County no later than the 10th calendar day of the month following the month in which final Services were provided during the Fiscal Year. In both instances, when the 10th calendar day falls on a non-business day (Saturday, Sunday or Los Angeles County holiday), Contractor shall submit the invoice by the following business day. County reserves the right to modify in writing the due date(s) for the submission of invoices as needed in order to meet regulatory deadlines.

- 5.10.4.2 Contractor shall submit an invoice for each month of Service as directed above and invoices shall be submitted in chronological order (e.g., July, August, September, etc.). For example, Contractor shall not submit the September invoice unless the August invoice was previously submitted by the 10th calendar day following the month of August. County will not be under any obligation to pay any invoice that is submitted out of chronological order until Contractor takes the appropriate measures to adhere to these requirements.
- 5.10.4.3 When Contractor does not incur any expenditures for the month of Service, Contractor shall prepare an invoice as directed by County so that the invoice reflects zero (\$0) expenditures. Contractor shall submit the invoice according to the procedures outlined herein and as further directed by County.
- 5.10.4.4 Contractor is responsible for the accuracy of invoices submitted to County. Contractor shall reconcile its invoices and correct inaccuracies or inconsistencies in the invoices it submits to County. Contractor and County agree as follows:
- 5.10.4.4.1 When County or its designee discovers that Contractor has been overpaid, County will send Contractor written notification to request return of the overpayment. Overpayment includes, but is not limited to, payment(s) made to Contractor that exceeds either the Maximum Annual Contract Sum or the Maximum Contract Sum. Contractor shall return such overpayment to County within thirty (30) days of receiving County's written notification.
- 5.10.4.4.2 When Contractor receives or discovers any overpayment from County, Contractor shall immediately notify County's Contract Manager in writing of such overpayment. Contractor shall immediately return such overpayment to County's Contract Manager within thirty (30) days of receiving or discovering the overpayment.
- 5.10.4.4.3 At County's sole election, overpayment made to Contractor may be used to offset future payments due Contractor.
- 5.10.4.5 Contractor shall submit a complete, accurate, verifiable and timely invoice for each month of



Service as directed above. Contractor shall also submit a complete, accurate, verifiable and timely final year-end invoice as also directed above. Contractor's failure to comply with these requirements may result in delayed processing of payment(s). Any invoice which does not adhere to County's requirements may be rejected at County's sole discretion. Contractor's continued non-compliance with County's invoicing policies and procedures may lend Contractor to remedies which County may impose at County's sole discretion.

**5.10.5 County Approval of Invoices**

5.10.5.1 All invoices submitted by Contractor for payment must have the written approval of County's Contract Manager or designee prior to any payment thereof. In no event shall County be liable or responsible for any payment prior to such written approval. Approval for payment will not be unreasonably withheld.

**5.10.6 Payments to Contractor**

5.10.6.1 In accordance with the invoicing policies and procedures set forth in this Contract as well as those provided by County, County agrees to pay Contractor for the satisfactory provision of the Services identified in Exhibit A (Statement of Work) and any amendments, addendums or modifications thereto. Such payment shall not exceed the amount(s) indicated in Paragraph 5.2 (Funding Allocations). All payments to Contractor will be made in arrears on a monthly basis for Services performed, provided that Contractor is not in default under any provision of this Contract. County has no obligation to pay for any work except those Services expressly authorized by this Contract.

5.10.6.2 Payments to Contractor will be made within thirty (30) calendar days after receipt of an "undisputed invoice". For purposes of this Sub-paragraph, an undisputed invoice shall mean an invoice which does not contain errors and has been completed and submitted by Contractor pursuant to the requirements outlined herein and as directed by County. County has the final authority to determine whether or not an invoice is an undisputed invoice. Contractor shall promptly adhere to County's instructions for correcting an invoice that is not undisputed in order to prevent any delays in processing payment(s). Until Contractor submits an undisputed invoice, County will not be under any obligation to pay any invoice that is not submitted pursuant to the requirements outlined herein and as directed by County.

5.10.6.3 All payments for Services provided under the terms

of this Contract shall be made to Contractor using Contractor's legal name and tax payer identification number. Contractor shall not request payments to be made to third-party vendors (i.e., subcontractors) or any vendor which Contractor may use in the performance of this Contract. For purposes of this Contract, Contractor's legal name is identified as the name on Contractor's articles of incorporation, charter or other legal document that was used to create Contractor's organization.

**5.10.6.4 Direct Deposit Requirements**

5.10.6.4.1 In an effort to reduce costs, Contractor shall receive payments through direct deposit and shall adhere to County's direct deposit requirements. Contractor shall complete a direct deposit authorization form and submit it to County's Contract Manager in the time and manner as prescribed by County.

**5.10.6.5 Past Due Invoice**

5.10.6.5.1 Any invoice submitted more than thirty (30) days after the last day of the month in which the Services were rendered shall constitute a "past due invoice". Notwithstanding any other provision of this Contract, Contractor and County agree that County shall have no obligation whatsoever to pay any past due invoices. County may, in its sole discretion, pay some or all of a past due invoice which Contractor has submitted, provided that sufficient funds remain available under this Contract.

5.10.7 Contractor's failure to timely submit Contract-related documents that are accurate and complete, as requested or required by County, may result in suspension of payments to Contractor or other remedies provided by law or this Contract. Such documents shall include, but are not limited to, the following:

5.10.7.1 Exhibit B (Budget); Exhibit D (Contractor's Equal Employment Opportunity Certification); Exhibit F (Contractor's Administration); Exhibit G (Contractor Acknowledgement and Confidentiality Agreement); Exhibit L (Joint Funding Revenue Disclosure); Exhibit N (Inventory Control Form); Exhibit O (Charitable Contributions Certification); and, Exhibit Q (Certification of Compliance with County's Defaulted Property Tax Reduction Program);

5.10.7.2 Those documents outlined in Exhibit A (Statement of Work), Paragraph 6.0 (Fiscal Requirements) and Paragraph 21.0 (Contract Document Deliverables).

5.10.8 **Local Small Business Enterprise (Local SBE) - Prompt Payment Program**

5.10.8.1 When Contractor is certified as a Local SBE, Contractor will receive prompt payment for Services provided to County. Prompt payment is defined as fifteen (15) calendar days after receipt of an undisputed invoice.

**5.11 Cost of Living Adjustments**

5.11.1 If requested by Contractor, the Contract hourly, daily, monthly or Unit Rate amount may at the sole discretion of County, be increased annually based on the most recent published percentage change in the United States Department of Labor, Bureau of Labor Statistics' Consumer Price Index (CPI) for the Los Angeles-Riverside-Orange County area for the 12-month period preceding the Contract anniversary date, which shall be the effective date for any Cost of Living Adjustment (COLA). However, any increase shall not exceed the general salary movement granted to County employees as determined by the Chief Executive Officer as of each July 1 for the prior 12-month period. Furthermore, should fiscal circumstances ultimately prevent the Board of Supervisors from approving any increase in County employee salaries, no COLA will be granted. Where County decides to grant a COLA pursuant to this Paragraph for living wage contracts, County may, in its sole discretion exclude the cost of labor (including the cost of wages and benefits paid to employees providing Services under this Contract) from the base upon which a COLA is calculated, unless Contractor can show that his/her labor cost will actually increase. Further, before any COLA increase shall take effect and become part of this Contract, it shall require a written amendment to this Contract first, that has been formally approved and executed by the parties. At no time shall any increase in the Contract hourly, daily, monthly or Unit Rate amount, or COLA adjustment, ever result in the Contract Sum exceeding the Maximum Annual Contract Sum or Maximum Contract Sum.

**6.0 ADMINISTRATION OF CONTRACT - COUNTY**

**6.1 County Administration**

6.1.1 A listing of all County Administration referenced in the following Paragraphs is provided in Exhibit E (County's Administration). County shall notify Contractor in writing of any change in the names or addresses shown.

**6.2 County's Contract Manager**

6.2.1 The responsibilities of County's Contract Manager or his/her designee include:

6.2.1.1 ensuring that the objectives of this Contract are met;

6.2.1.2 providing direction to Contractor in the areas relating to County policy, information requirements, and procedural requirements;

6.2.1.3 making revisions which do not materially affect the terms and conditions of this Contract in accordance with Paragraph 9.9 (Modifications); and

6.2.1.4 acting on behalf of County with respect to approval of subcontracts and subcontractor employees working on this Contract.

**6.3 County's Program Manager**

6.3.1 The responsibilities of County's Program Manager include:

6.3.1.1 meeting with Contractor's Project Director on a regular basis; and

6.3.1.2 inspecting any and all tasks, deliverables, goods, Services, or other work provided by or on behalf of Contractor.

6.3.2 County's Program Manager is not authorized to make any changes in any of the terms and conditions of this Contract and is not authorized to further obligate County in any respect whatsoever.

**6.4 County's Compliance Manager**

6.4.1 The responsibilities of County's Compliance Manager include:

6.4.1.1 verifying Contractor's compliance with the requirements of this Contract;

6.4.1.2 overseeing and monitoring the delivery of Services;

6.4.1.3 ensuring that the objectives of this Contract are met.

**7.0 ADMINISTRATION OF CONTRACT - CONTRACTOR**

**7.1 Contractor's Project Director**

7.1.1 Contractor's Project Director is designated in Exhibit F (Contractor's Administration). Contractor shall notify County's Contract Manager in writing of any change in the name or address of Contractor's Project Director.

7.1.2 Contractor's Project Director shall be responsible for Contractor's day-to-day activities as related to this Contract and shall coordinate with County's Contract Manager, County's Program Manager and County's Compliance Manager on a regular basis.

7.1.3 Contractor's Project Director must have the qualifications and experience identified in Exhibit A (Statement of Work).

**7.2 Approval of Contractor's Staff**

7.2.1 County has the absolute right to approve or disapprove all of Contractor's staff performing Work hereunder and any proposed changes in Contractor's staff, including, but not limited to, Contractor's Project Director. Contractor shall provide County's

Program Manager with a resume of each proposed substitute and an opportunity to interview such person prior to any staff substitution.

### **7.3 Contractor's Staff Identification**

- 7.3.1 Contractor shall provide, at Contractor's expense, all staff providing Services under this Contract with a photo identification badge (hereafter "badge"). The badge shall be developed in accordance with County's specifications. Contractor shall obtain approval for the format and content of the badge from County's Program Manager prior to Contractor creating, issuing, or implementing use of the badge.
- 7.3.2 Contractor's staff, while on duty or when entering County facilities or grounds, shall prominently display the badge on the upper part of the body. Contractor's staff may be asked to leave a County facility by a County representative if they do not have the photo identification badge on their person.
- 7.3.3 Contractor shall notify County's Contract Manager within five (5) days when staff is terminated from working under this Contract. Contractor shall retrieve and immediately destroy the employee's badge upon the employee's termination of employment with Contractor.
- 7.3.4 If County requests the removal of Contractor's staff, Contractor shall retrieve and immediately destroy an employee's badge at the time the employee is removed from working on this Contract.

### **7.4 Background and Security Investigations**

- 7.4.1 Each of Contractor's staff performing Services under this Contract who is in a designated sensitive position, as determined by County in County's sole discretion, shall undergo and pass a background investigation to the satisfaction of County as a condition of beginning and continuing to perform Services under this Contract. Such background investigation must be obtained through fingerprints submitted to the California Department of Justice to include State, local, and Federal-level review, which may include, but shall not be limited to, criminal conviction information. The fees associated with the background investigation shall be at the expense of Contractor, regardless if the member of Contractor's staff passes or fails the background investigation. For purposes of this Contract, a sensitive position is one in which the duties pose a potential threat or risk to Client when performed by persons who have a criminal history incompatible with those duties, whether those persons are employees of Contractor or other individuals who perform Services on behalf of Contractor pursuant to this Contract. For Work performed under this Contract, sensitive positions include the following:
  - 7.4.1.1 Positions that involve the care, oversight, or protection of persons through direct contact with such persons (e.g., social worker, case manager, etc.).

- 7.4.1.2 Positions having direct or indirect access to funds or negotiable instruments (e.g., finance manager, accountant, bookkeeper, etc.).
- 7.4.1.3 Positions that require State and/or professional licensing (e.g., Certified Public Accountant, etc.).
- 7.4.1.4 Positions that have access to confidential or classified information including criminal conviction information (e.g., human resources manager, etc.).
- 7.4.1.5 Positions that involve the care, oversight, or protection of County, public, or private property (e.g., property custodian, etc.).
- 7.4.2 If a member of Contractor's staff does not pass the background investigation, County may request that the member of Contractor's staff be immediately removed from performing Services under this Contract at any time during the term of this Contract. County will not provide to Contractor or to Contractor's staff any information obtained through County's background investigation.
- 7.4.3 County, in its sole discretion, may immediately deny or terminate facility access to any member of Contractor's staff who does not pass such investigation to the satisfaction of County or whose background or conduct is incompatible with County facility access.
- 7.4.4 No personnel employed by Contractor for this Contract shall be on active probation, currently on parole or have been on probation or parole within the last three (3) years.
- 7.4.5 Contractor and its staff, including all current and prospective employees, independent contractors, volunteers or subcontractors who may come in contact with people in the course of their work, volunteer activity, or performance of a subcontract, providing Services under this Contract shall be under a continuing obligation to disclose any prior or subsequent criminal conviction record or any pending criminal trial to County's Contract Manager. Contractor shall inform its staff, including all current and prospective employees, independent contractors, volunteers or subcontractors who may come in contact with people in the course of their work, volunteer activity, or performance of a subcontract, providing Services under this Contract of said obligation. Contractor shall maintain records of criminal convictions and/or pending criminal trials in the file of each such person.
- 7.4.6 Contractor shall immediately notify County's Contract Manager of any arrest and/or subsequent conviction, other than for minor traffic offenses, of any Contractor staff, independent contractor, volunteer staff or subcontractor who may come in contact with children, elderly individuals or dependent adults while providing Services under this Contract when such information becomes known to Contractor. Contractor shall not engage or continue to engage the services of any person convicted of any crime

involving harm to minors, or any crime involving conduct inimical to the health, morals, welfare or safety of others, including but not limited to, the offenses specified in the California Health and Safety Code Section 11590 (i.e., offenses requiring registration as a controlled substance offender) and those crimes listed in the California Penal Code which involve murder, rape, kidnap, abduction, assault and lewd and lascivious acts.

- 7.4.7 Disqualification of any member of Contractor's staff pursuant to this Paragraph 7.4 shall not relieve Contractor of its obligation to complete all Work in accordance with the terms and conditions of this Contract.

## **7.5 Confidentiality**

- 7.5.1 Contractor shall maintain the confidentiality of all records and information in accordance with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures relating to confidentiality, including, without limitation, County policies concerning information technology security and the protection of confidential records and information.

- 7.5.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting, or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with this Paragraph 7.5, Exhibit G (Contractor Acknowledgement and Confidentiality Agreement) and Exhibit P (Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA")), as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 7.5 shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction, or make any admission, in each case, on behalf of County without County's prior written approval.

- 7.5.3 Contractor shall inform all of its officers, employees, agents and subcontractors providing Services hereunder of the confidentiality provisions of this Contract.

- 7.5.4 Contractor shall sign and also adhere to the provisions of Exhibit G (Contractor Acknowledgement and Confidentiality Agreement).

## **8.0 STANDARD TERMS AND CONDITIONS**

### **8.1 AMENDMENTS**

- 8.1.1 For any change which materially affects the Scope of Work, Contract Term, Contract Sum, payments, or any other term or condition included under this Contract, an Amendment shall be prepared by County and executed by Contractor and by County's Department Head or his/her designee.
- 8.1.2 County's Board of Supervisors or Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in this Contract during the term of this Contract. County reserves the right to add and/or change such provisions as required by County's Board of Supervisors or Chief Executive Officer. To implement such changes, an Amendment to this Contract shall be prepared by County and executed by Contractor and by County's Department Head or his/her designee.
- 8.1.3 County's Department Head or his/her designee may, at his/her sole discretion, authorize extensions of time as defined in Paragraph 4.0 (Term of Contract). Contractor agrees that such extensions of time shall not change any other term or condition of this Contract during the period of such extensions. To implement an extension of time, an Amendment to this Contract shall be prepared by County and executed by Contractor and by County's Department Head or his/her designee.
- 8.1.4 The following events shall also warrant an Amendment to this Contract as described in this Paragraph 8.1:
- 8.1.4.1 County may initiate a unilateral Amendment to this Contract at any time when required by Federal, State or County laws or policies, and shall immediately notify Contractor of said Amendment and the justification thereto.
- 8.1.4.2 To the extent that funding for the Program is eliminated or otherwise reduced, the Program is terminated or the Program is modified for any reason (such that funding is reduced or the Scope of Work is changed), County may in its sole discretion amend this Contract accordingly or move to terminate pursuant to the provisions in Paragraph 8.42 (Termination for Convenience) without further liability for Services yet to be rendered by Contractor.
- 8.1.5 For any change which does not affect the Scope of Work performed under this Contract, the Contract Term or Contract Sum, and does not otherwise materially change any other term or condition under this Contract, County reserves the right to initiate such change(s) through a Change Notice. Such Change Notice shall be a written document that is prepared by County at its sole discretion and is signed by County's Contract Manager or designee. A Change Notice will be used to communicate changes which do not warrant an amendment to this Contract. Such Change Notice shall be provided to Contractor at least ten (10) days prior to its effective date and Contractor shall adhere to the requirements as specified therein. Contractor's failure to



comply with the Change Notice(s) may result in County imposing remedies including suspension of payment(s), termination of Contract or other remedies under this Contract as determined by County at its sole discretion.

## **8.2 ASSIGNMENT AND DELEGATION**

- 8.2.1 Contractor shall not assign its rights or delegate its duties under this Contract, or both, whether in whole or in part, without the prior written consent of County, in its sole discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this Paragraph 8.2, County consent shall require a written Amendment to this Contract, which is formally approved and executed by the parties. Any payments by County to any approved delegate or assignee on any claim under this Contract shall be deductible, at County's sole discretion, against the claims, which Contractor may have against County.
- 8.2.2 Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of this Contract, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Contract.
- 8.2.3 Any assumption, assignment, delegation, or takeover of any of Contractor's duties, responsibilities, obligations, or performance of same by any entity other than Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be a material breach of this Contract which may result in the termination of this Contract. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

## **8.3 AUTHORIZATION WARRANTY**

- 8.3.1 Contractor represents and warrants that the person executing this Contract for Contractor is an authorized agent who has actual authority to bind Contractor to each and every term, condition, and obligation of this Contract and that all requirements of Contractor have been fulfilled to provide such actual authority.

## **8.4 BUDGET REDUCTIONS**

- 8.4.1 In the event that County's Board of Supervisors adopts, in any Fiscal Year, a County budget which provides for reductions in the salaries and benefits paid to the majority of County employees and imposes similar reductions with respect to County contracts, County reserves the right to reduce its payment obligation under this Contract correspondingly for that

Fiscal Year or Program Year and any subsequent Fiscal Year or Program Year during the term of this Contract (including any extensions), and the Services to be provided by Contractor under this Contract shall also be reduced correspondingly. County's notice to Contractor regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such actions. Except as set forth in the preceding sentence, Contractor shall continue to provide all of the Services set forth in this Contract.

## **8.5 COMPLAINTS**

- 8.5.1 Contractor shall develop, maintain and utilize procedures for receiving, investigating and responding to complaints. Within fifteen (15) business days after Contract effective date, Contractor shall provide County's Contract Manager with Contractor's policy for receiving, investigating and responding to Client complaints.
- 8.5.2 County will review Contractor's policy and provide Contractor with approval of said plan or with requested changes.
- 8.5.3 If County requests changes in Contractor's policy, Contractor shall make such changes and resubmit the plan within five (5) business days for County approval.
- 8.5.4 If, at any time, Contractor wishes to change Contractor's policy, Contractor shall submit proposed changes to County's Contract Manager for approval before implementation.
- 8.5.5 Contractor shall preliminarily investigate all complaints and notify County's Compliance Manager of the status of the investigation within ten (10) business days of receiving the complaint.
- 8.5.6 When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines.
- 8.5.7 Copies of all written responses shall be sent to County's Compliance Manager within five (5) business days of mailing to the complainant.
- 8.5.8 Contractor shall provide Client an opportunity to anonymously submit a grievance directly to County's Compliance Manager. Contractor shall ensure that the contact information of County's Compliance Manager is posted in a publicly accessible area and also provided to Client in writing.
- 8.5.9 Contractor shall provide County an opportunity to consider any grievance whether it is anonymously submitted to County by Client or if it's a grievance that cannot be resolved by Contractor. At County's sole discretion, County's written decision regarding the grievance shall be final and irrevocable.
- 8.5.10 At a minimum, Contractor shall incorporate the procedures and provisions of this Paragraph 8.5 in its written grievance policies.

## **8.6 COMPLIANCE WITH APPLICABLE LAWS**

- 8.6.1 In the performance of this Contract, Contractor shall comply with all applicable Federal, State, County and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures. Contractor shall also comply with all subsequent revisions, modifications, and administrative and statutory changes made thereto by Federal, State and County authorities. All provisions required thereby to be included in this Contract are hereby incorporated herein by reference.
- 8.6.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with any such laws, rules, regulations, ordinances, directives, guidelines, policies, or procedures, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 8.6 shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction or other equitable relief, or make any admission, in each case, on behalf of County without County's prior written approval.
- 8.6.3 Contractor's compliance with applicable laws and regulations includes, but is not limited to, adherence to applicable OMB Circulars, CFRs and mandatory standards and policies relating to the following: State's energy efficiency regulations (the California Code of Regulations Title 24); the Clean Air Act (42 USC 7401 et seq.); the Water Pollution Prevention and Control provisions (33 USC 1368); the Clean Water Act/Federal Water Pollution Control Act (33 USC 1251 et seq.); and, Executive Order 11738. County reserves the right to review Contractor's procedures to ensure that they comply with the statutes, ordinances, regulations, rules, rulings, policies and procedures of the Federal, State and County authorities, as applicable.
- 8.6.4 Contractor certifies that throughout the entirety of this Contract it shall comply with all Federal and State payroll tax rules and employer tax guides; Contractor shall pay all Federal and State payroll taxes; and, Contractor shall make all tax deposits required by Federal and State laws within the time limits required.
- 8.6.5 Contractor's failure to comply with such regulations, rules, ordinances, court rules, municipal laws, directives, policies and procedures outlined in this Paragraph 8.6 and/or the provisions,

requirements or conditions of this Contract, including but not limited to, performance documentation, reporting, audit and evaluation requirements shall be material breach of this Contract and may result in termination of this Contract or other remedies available herein.

## **8.7 COMPLIANCE WITH CIVIL RIGHTS LAWS**

8.7.1 Contractor hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964 (42 USC 2000e - 2000e-17), to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical handicap, marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract. Contractor shall comply with Exhibit D (Contractor's Equal Employment Opportunity Certification). Prior to the commencement of this Contract, Contractor shall submit the completed Exhibit D to County's Contract Manager in the time and manner as designated by County.

8.7.2 Notwithstanding any other provision of law and pursuant to the requirements outlined in California Public Contract Code Section 10295.3, when Contractor has been awarded a contract in the amount of \$100,000 or more, Contractor shall not discriminate in the provision of benefits between employees with spouses and employees with domestic partners, or discriminate between employees with spouses or domestic partners of a different sex and employees with spouses or domestic partners of the same sex, or discriminate between same-sex and different-sex domestic partners of employees or between same sex and different-sex spouses of employees. For purposes of this Sub-paragraph, "contract" includes contracts awarded by County to Contractor with a cumulative amount of \$100,000 or more for each Fiscal Year (where the contract funds originate from the State).

## **8.8 COMPLIANCE WITH THE COUNTY'S JURY SERVICE PROGRAM**

### **8.8.1 Jury Service Program**

8.8.1.1 This Contract is subject to the provisions of County's ordinance entitled Contractor Employee Jury Service (hereafter "Jury Service Program") as codified in Los Angeles County Code Sections 2.203.010 through 2.203.090, a copy of which is attached in Exhibit H (Contractor Employee Jury Service) and incorporated by reference into and made a part of this Contract.

### **8.8.2 Written Employee Jury Service Policy**

8.8.2.1 Unless Contractor has demonstrated to County's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program (Los Angeles County Code Section 2.203.020) or that Contractor qualifies for an exception to the Jury Service Program (Los Angeles County Code Section 2.203.070),

Contractor shall have and adhere to a written policy that provides that its employees shall receive from Contractor, on an annual basis, no less than five (5) days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with Contractor or that Contractor deduct from the employee's regular pay the fees received for jury service.

8.8.2.2 For purposes of this Paragraph 8.8, "Contractor" means a person, partnership, corporation or other entity which has a contract with County or a subcontract with a County contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one (1) or more County contracts or subcontracts. "Employee" means any California resident who is a full-time employee of Contractor. "Full-time" means forty (40) hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of ninety (90) days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform Services for County under this Contract, the subcontractor shall also be subject to the provisions of this Paragraph 8.8. The provisions of this Paragraph 8.8, shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

8.8.2.3 If Contractor is not required to comply with the Jury Service Program when this Contract commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify County's Contract Manager if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Jury Service Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. County may also require, at any time during this Contract and at its sole discretion, that Contractor demonstrate, to County's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that Contractor continues to qualify for an exception to the Jury Service Program.

8.8.2.4 Contractor's violation of this Paragraph 8.8 of this Contract may constitute a material breach of this

Contract. In the event of such material breach, County may, in its sole discretion, terminate this Contract and/or bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

## **8.9 CONFLICT OF INTEREST**

8.9.1 No County employee whose position with County enables such employee to influence the award of this Contract or any competing contract, and no spouse or economic dependent of such employee, shall be employed in any capacity by Contractor or have any other direct or indirect financial interest in this Contract. No officer or employee of Contractor who may financially benefit from the performance of Work hereunder shall in any way participate in County's approval, or ongoing evaluation, of such Work, or in any way attempt to unlawfully influence County's approval or ongoing evaluation of such Work.

8.9.2 Contractor shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Contract. Contractor warrants that it is not now aware of any facts that create a conflict of interest. If Contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to County's Contract Manager. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with the provisions of this Paragraph 8.9 shall be a material breach of this Contract.

## **8.10 CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFFS OR ON RE-EMPLOYMENT LIST**

8.10.1 Should Contractor require additional or replacement personnel after the effective date of this Contract to perform the Services set forth herein, Contractor shall give first consideration for such employment openings to qualified permanent County employees who are targeted for layoff or to qualified former County employees who are on a re-employment list during the life of this Contract.

## **8.11 CONSIDERATION OF HIRING GAIN/GROW PROGRAM PARTICIPANTS**

8.11.1 Should Contractor require additional or replacement personnel after the effective date of this Contract, Contractor shall give consideration for any such employment openings to participants in the County's Department of Public Social Services Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet Contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that Contractor will interview qualified candidates. County will refer GAIN/GROW participants by job category to Contractor.

8.11.2 In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, County employees shall be given first priority.

## **8.12 CONTRACTOR RESPONSIBILITY AND DEBARMENT**

### **8.12.1 Responsible Contractor**

8.12.1.1 A responsible contractor is a contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform this Contract. It is County's policy to conduct business only with responsible contractors.

### **8.12.2 Los Angeles County Code Chapter 2.202**

8.12.2.1 Contractor is hereby notified that, in accordance with Los Angeles County Code Chapter 2.202, if County acquires information concerning the performance of Contractor on this or other contracts which indicates that Contractor is not responsible, County may, in addition to other remedies provided in this Contract, debar Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five (5) years but may exceed five (5) years or be permanent if warranted by the circumstances, and terminate any or all existing contracts Contractor may have with County.

### **8.12.3 Non-responsible Contractor**

8.12.3.1 County may debar Contractor if the Board of Supervisors finds, in its discretion, that Contractor has done any of the following: (1) violated a term of a contract with County or a nonprofit corporation created by County, (2) committed an act or omission which negatively reflects on Contractor's quality, fitness or capacity to perform a contract with County, any other public entity, or a nonprofit corporation created by County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against County or any other public entity.

### **8.12.4 Contractor Hearing Board**

8.12.4.1 If there is evidence that Contractor may be subject to debarment, County will notify Contractor in writing of the evidence which is the basis for the proposed debarment and will advise Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

8.12.4.2 The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. Contractor and/or Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which

shall contain a recommendation regarding whether Contractor should be debarred, and, if so, the appropriate length of time of the debarment. Contractor and County shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

- 8.12.4.3 After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.
- 8.12.4.4 If Contractor has been debarred for a period longer than five (5) years, Contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of County.
- 8.12.4.5 The Contractor Hearing Board will consider a request for review of a debarment determination only where: (1) Contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.
- 8.12.4.6 The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of



Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

**8.12.5 Subcontractors of Contractor**

8.12.5.1 These terms shall also apply to subcontractors of County contractors.

8.12.6 Contractor hereby acknowledges that County is prohibited from contracting with and/or making sub-awards to parties that are suspended, debarred, ineligible, or excluded from securing State-funded or Federally-funded contracts. By executing this Contract, Contractor certifies that neither it nor any of its owners, officers, partners, directors, or other principals is currently suspended, debarred, ineligible, or excluded from securing State-funded or Federally-funded contracts. Further by executing this Contract, Contractor certifies that, to its knowledge, none of its subcontractors, at any tier, or any owner, officer, partner, director or other principal of any subcontractors is currently suspended, debarred, ineligible, or excluded from securing State-funded or Federally-funded contracts. During the term of this Contract, Contractor shall immediately notify County's Contract Manager in writing should it or any of its subcontractors or any principals of either be suspended, debarred, ineligible, or excluded from securing State-funded or Federally-funded contracts. Failure of Contractor to comply with this provision shall constitute a material breach of this Contract upon which County may immediately terminate or suspend this Contract.

**8.13 CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW**

8.13.1 Contractor acknowledges that County places a high priority on the implementation of the Safely Surrendered Baby Law. Contractor understands that it is County's policy to encourage all County contractors to voluntarily post County's "Safely Surrendered Baby Law" poster in a prominent position at Contractor's place of business. Contractor will also encourage its subcontractors, if any, to post this poster in a prominent position in the subcontractor's place of business. The County's Department of Children and Family Services will supply Contractor with the poster to be used. Information on how to receive the poster can be found on the Internet at [www.babysafela.org](http://www.babysafela.org).

**8.14 CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM**

8.14.1 Contractor acknowledges that County has established a goal of ensuring that all individuals who benefit financially from County through this Contract are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

8.14.2 As required by County's Child Support Compliance Program (Los Angeles County Code Chapter 2.200) and without limiting

Contractor's duty under this Contract to comply with all applicable provisions of law, Contractor warrants that it is now in compliance and shall during the term of this Contract maintain compliance with employment and wage reporting requirements as required by the Social Security Act (42 USC 653(a)) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child, Family or Spousal Support, pursuant to the California Code of Civil Procedure Section 706.031 and the California Family Code Section 5246(b).

**8.15 COUNTY'S QUALITY ASSURANCE PLAN**

8.15.1 County or its agent will evaluate Contractor's performance under this Contract on not less than an annual basis. Such evaluation will include assessing Contractor's compliance with all Contract terms and conditions and performance standards. Contractor deficiencies which County determines are severe or continuing and that may place performance of this Contract in jeopardy if not corrected will be reported to the Board of Supervisors. The report will include improvement/corrective action measures taken by County and Contractor. If improvement does not occur consistent with the corrective action measures, County may terminate this Contract or impose other penalties as specified in this Contract.

**8.16 DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS**

8.16.1 Contractor shall repair, or cause to be repaired, at its own cost, any and all damage to County facilities, buildings, or grounds caused by Contractor or employees or agents of Contractor. Such repairs shall be made immediately after Contractor has become aware of such damage, but in no event later than thirty (30) days after the occurrence.

8.16.2 If Contractor fails to make timely repairs, County may make any necessary repairs. All costs incurred by County, as determined by County, for such repairs shall be repaid by Contractor by cash payment upon demand.

**8.17 EMPLOYMENT ELIGIBILITY VERIFICATION**

8.17.1 Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing Work under this Contract meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. Contractor shall obtain, from all employees performing Work hereunder, all verification and other documentation of employment eligibility status required by Federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986 (PL 99-603) as they currently exist and as they may be hereafter amended. Contractor shall retain all such documentation for all covered employees for the period prescribed by law.

8.17.2 Contractor shall indemnify, defend, and hold harmless, County,

its agents, officers, and employees from employer sanctions and any other liability which may be assessed against Contractor or County or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing Work under this Contract.

**8.18 FACSIMILE REPRESENTATIONS**

8.18.1 County and Contractor hereby agree to regard facsimile representations of original signatures (i.e., electronic signatures) of authorized officers of each party, when appearing in appropriate places on the Amendments prepared pursuant to Paragraph 8.1 (Amendments) and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to Amendments to this Contract, such that the parties need not follow up facsimile transmissions of such documents with subsequent (non-facsimile) transmission of "original" versions of such documents.

**8.19 FAIR LABOR STANDARDS**

8.19.1 Contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless County and its agents, officers, and employees from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for Work performed by Contractor's employees for which County may be found jointly or solely liable.

**8.20 FORCE MAJEURE**

8.20.1 Neither party shall be liable for such party's failure to perform its obligations under and in accordance with this Contract, if such failure arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by such party or any of such party's subcontractors), freight embargoes, or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of such party (such events are referred to in this Paragraph 8.20 as "force majeure events").

8.20.2 Notwithstanding the foregoing, a default by a subcontractor of Contractor shall not constitute a force majeure event, unless such default arises out of causes beyond the control of both Contractor and such subcontractor, and without any fault or negligence of either of them. In such case, Contractor shall not be liable for failure to perform, unless the goods or Services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Contractor to meet the required performance schedule. As used in this Paragraph 8.20, the term "subcontractor" and "subcontractors" mean subcontractors at any tier.

8.20.3 In the event Contractor's failure to perform arises out of a force majeure event, Contractor agrees to use commercially

reasonable best efforts to obtain goods or Services from other sources, if applicable, and to otherwise mitigate the damages and reduce the delay caused by such force majeure event.

**8.21 GOVERNING LAW, JURISDICTION, AND VENUE**

8.21.1 This Contract shall be governed by, and construed in accordance with, the laws of the State of California. Contractor agrees and consents to the exclusive jurisdiction, including personal jurisdiction, of the courts of the State of California for all purposes regarding this Contract, and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

**8.22 INDEPENDENT CONTRACTOR STATUS**

8.22.1 This Contract is by and between County and Contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between County and Contractor. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.

8.22.2 Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing Work pursuant to this Contract all compensation and benefits. County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of Contractor.

8.22.3 Contractor understands and agrees that all persons performing Work pursuant to this Contract are, for purposes of Workers' Compensation liability, solely employees of Contractor and not employees of County. Contractor shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any Work performed by or on behalf of Contractor pursuant to this Contract.

8.22.4 Contractor shall adhere to the provisions stated in Paragraph 7.5 (Confidentiality).

**8.23 INDEMNIFICATION**

8.23.1 Contractor shall indemnify, defend and hold harmless County, its Special Districts, elected and appointed officers, employees, agents and volunteers ("County Indemnitees") from and against any and all liability, including but not limited to demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from and/or relating to this Contract, except for such loss or damage arising from the sole negligence or willful misconduct of County Indemnitees.

**8.24 GENERAL PROVISIONS FOR ALL INSURANCE COVERAGE**

8.24.1 Without limiting Contractor's indemnification of County, and in the performance of this Contract and until all of its obligations pursuant to this Contract have been met, Contractor shall

provide and maintain at its own expense insurance coverage satisfying the requirements specified in this Paragraph 8.24 and Paragraph 8.25 (Insurance Coverage) of this Contract. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Contractor pursuant to this Contract. County in no way warrants that the Required Insurance is sufficient to protect Contractor for liabilities which may arise from or relate to this Contract.

**8.24.2 Evidence of Coverage and Notice to County**

8.24.2.1 Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) have been given Insured status under Contractor's General Liability policy, shall be delivered to County at the address shown below and provided prior to commencing Services under this Contract.

8.24.2.2 Renewal Certificates shall be provided to County not less than ten (10) days prior to Contractor's policy expiration dates. County reserves the right to obtain complete, certified copies of any required Contractor and/or subcontractor insurance policies at any time.

8.24.2.3 Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Contract by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of Contractor identified as the contracting party in this Contract. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding \$50,000.00 dollars, and list any County required endorsement forms.

8.24.2.4 Neither County's failure to obtain, nor County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by Contractor, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

8.24.2.5 Certificates and copies of any required endorsements shall be sent to:

County of Los Angeles  
Community and Senior Services  
Contracts Management Division

Attention: County's Contract Manager  
3175 West Sixth Street  
Los Angeles, CA 90020

8.24.2.6 Contractor also shall promptly report to County's Contract Manager any injury or property damage accident or incident, including any injury to a Contractor employee occurring on County property, and any loss, disappearance, destruction, misuse, or theft of County property, monies or securities entrusted to Contractor. Contractor also shall promptly notify County's Contract Manager of any third-party claim or suit filed against Contractor or any of its subcontractors which arises from or relates to this Contract, and could result in the filing of a claim or lawsuit against Contractor and/or County.

8.24.3 **Additional Insured Status and Scope of Coverage**

8.24.3.1 The County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively County and its Agents) shall be provided additional insured status under Contractor's General Liability policy with respect to liability arising out of Contractor's ongoing and completed operations performed on behalf of County. County and its Agents additional insured status shall apply with respect to liability and defense of suits arising out of Contractor's acts or omissions, whether such liability is attributable to Contractor or to County. The full policy limits and scope of protection also shall apply to County and its Agents as an additional insured, even if they exceed County's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

8.24.4 **Cancellation of or Change(s) in Insurance**

8.24.4.1 Contractor shall provide County with, or Contractor's insurance policies shall contain a provision that County shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to County's Contract Manager at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of this Contract, in the sole discretion of County, upon which County may suspend or terminate this Contract.

8.24.5 **Failure to Maintain Insurance**

8.24.5.1 Contractor's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of this Contract, upon which County immediately may withhold payments due to Contractor, and/or suspend or terminate this Contract. County, at its sole discretion, may obtain damages from Contractor resulting from said breach. Alternatively, County may purchase the Required Insurance, and without further notice to Contractor, deduct the premium cost from sums due to Contractor or pursue Contractor reimbursement.

8.24.6 **Insurer Financial Ratings**

8.24.6.1 Coverage shall be placed with insurers acceptable to County with A.M. Best ratings of not less than A:VII unless otherwise approved by County.

8.24.7 **Contractor's Insurance Shall Be Primary**

8.24.7.1 Contractor's insurance policies, with respect to any claims related to this Contract, shall be primary with respect to all other sources of coverage available to Contractor. Any County maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Contractor coverage.

8.24.8 **Waivers of Subrogation**

8.24.8.1 To the fullest extent permitted by law, Contractor hereby waives its rights and its insurer(s)' rights of recovery against County under all the Required Insurance for any loss arising from or relating to this Contract. Contractor shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

8.24.9 **Subcontractor Insurance Coverage Requirements**

8.24.9.1 Contractor shall include all subcontractors as insureds under Contractor's own policies, or shall provide County with each subcontractor's separate evidence of insurance coverage. Contractor shall be responsible for verifying each subcontractor complies with the Required Insurance provisions herein, and shall require that each subcontractor name County and Contractor as additional insureds on the subcontractor's General Liability policy. Contractor shall obtain County's prior review and approval of any subcontractor request for modification of the Required Insurance.

8.24.10 **Deductibles and Self-Insured Retentions (SIRs)**

8.24.10.1 Contractor's policies shall not obligate County to pay any portion of any Contractor deductible or SIR. County retains the right to require Contractor to reduce or eliminate policy deductibles and SIRs as respects County, or to provide a bond guaranteeing Contractor's payment of all

deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

**8.24.11 Claims Made Coverage**

8.24.11.1 If any part of the Required Insurance is written on a claims made basis, any policy retroactive date shall precede the effective date of this Contract. Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Contract expiration, termination or cancellation.

**8.24.12 Application of Excess Liability Coverage**

8.24.12.1 Contractors may use a combination of primary, and excess insurance policies which provide coverage as broad as the underlying primary policies, to satisfy the Required Insurance provisions.

**8.24.13 Separation of Insureds**

8.24.13.1 All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

**8.24.14 Alternative Risk Financing Programs**

8.24.14.1 County reserves the right to review, and then approve, Contractor use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance provisions. County and its Agents shall be designated as an Additional Covered Party under any approved program.

**8.24.15 County Review and Approval of Insurance Requirements**

8.24.15.1 County reserves the right to review and adjust the Required Insurance provisions, conditioned upon County's determination of changes in risk exposures.

**8.25 INSURANCE COVERAGE**

**8.25.1 Commercial General Liability**

8.25.1.1 Insurance (providing scope of coverage equivalent to ISO policy form CG 00 01), naming County and its Agents as an additional insured, with limits of not less than:

General Aggregate:	\$2 million
Products/Completed Operations	\$1 million
Aggregate:	
Personal and Advertising Injury:	\$1 million



Each Occurrence:

\$1 million

8.25.2 **Automobile Liability**

8.25.2.1 Insurance (providing scope of coverage equivalent to ISO policy form CA 00 01) with limits of not less than \$1 million for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance shall cover liability arising out of Contractor's use of autos pursuant to this Contract, including owned, leased, hired, and/or non-owned autos, as each may be applicable.

8.25.3 **Workers Compensation and Employers' Liability**

8.25.3.1 Insurance or qualified self-insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than \$1 million per accident. If Contractor will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming County as the Alternate Employer, and the endorsement form shall be modified to provide that County will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Contractor's operations, coverage also shall be arranged to satisfy the requirements of any Federal workers or workmen's compensation law or any Federal occupational disease law.

8.25.4 **Intentionally Omitted**

8.25.5 **Professional Liability/Errors and Omissions**

8.25.5.1 Insurance covering Contractor's liability arising from or related to this Contract, with limits of not less than \$1 million per claim and \$2 million aggregate. Further, Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following this Contract's expiration, termination or cancellation.

8.25.6 **Property Coverage**

8.25.6.1 Contractors given exclusive use of County owned or leased property shall carry property coverage at least as broad as that provided by the ISO special causes of loss (ISO policy form CP 10 30) form. County and its Agents shall be named as an Additional Insured and Loss Payee on Contractor's insurance as its interests may appear. Automobiles and mobile equipment shall be insured for their actual cash value. Real property and all other personal property shall be insured for their full replacement value.

8.25.7 **Sexual Misconduct Liability**

8.25.7.1 Insurance covering actual or alleged claims for sexual misconduct and/or molestation with limits of not less than \$2 million per claim and \$2 million aggregate, and claims for negligent employment, investigation, supervision, training or retention of, or failure to report to proper authorities, a person(s) who committed any act of abuse, molestation, harassment, mistreatment or maltreatment of a sexual nature.

**8.25.8 Privacy and Network Security Coverage**

8.25.8.1 Privacy and Network Security coverage (Cyber Insurance) with limits of at least \$5 million providing protection against liability for the following: privacy breaches (liability arising from the loss or disclosure of confidential information no matter how it occurs); system(s) breaches; denial or loss of service; introduction, implantation or spread of malicious software code; and, unauthorized access to or use of computer systems. No exclusion/restriction for unencrypted portable devices/media may be on the policy.

**8.26 LIQUIDATED DAMAGES**

8.26.1 If, in the judgment of County's Department Head, or his/her designee, Contractor is deemed to be non-compliant with the terms and obligations assumed hereby, County's Department Head, or his/her designee, at his/her option, in addition to, or in lieu of, other remedies provided herein, may withhold the entire monthly payment or deduct pro rata from Contractor's invoice for Work not performed. A description of the Work not performed and the amount to be withheld or deducted from payments to Contractor from County, will be forwarded to Contractor by County's Department Head, or his/her designee, in a written notice describing the reasons for said action.

8.26.2 If County's Department Head or his/her designee determines that there are deficiencies in the performance of this Contract that County's Department Head or his/her designee deems are correctable by Contractor over a certain time span, County's Department Head or his/her designee will provide a written notice to Contractor to correct the deficiency within specified time frames. Should Contractor fail to correct deficiencies within said time frame, County's Department Head or his/her designee may:

8.26.2.1 Deduct from Contractor's payment, pro rata, those applicable portions of the monthly Contract Sum; and/or

8.26.2.2 Deduct liquidated damages. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of Contractor to correct a deficiency within the specified time frame. The parties hereby agree that under the current circumstances a reasonable estimate of such damages per day per infraction shall be determined as follows: when this Contract is funded for one (1) Fiscal Year or Program Year term then a reasonable estimate of such damages per day per infraction shall be 0.25% of the Maximum Contract Sum; or, when this Contract is funded for more than one (1) Fiscal Year or Program Year term then a reasonable estimate of such damages per day per infraction shall be 0.25% of the Maximum Annual Contract Sum. In either case, Contractor shall be liable to County for liquidated damages in said amount and this amount shall be deducted from County's payment to Contractor; and/or

8.26.2.3 Upon giving five (5) days' notice to Contractor for failure to correct the deficiencies, County may correct any and all deficiencies and the total costs incurred by County for completion of the Work by an alternate source, whether it be County forces or separate private contractor, will be deducted and forfeited from the payment to Contractor from County, as determined by County.

8.26.3 The action noted in Sub-paragraph 8.26.2 shall not be construed as a penalty, but as adjustment of payment to Contractor to recover County cost due to the failure of Contractor to complete or comply with the provisions of this Contract.

8.26.4 This Paragraph 8.26 shall not, in any manner, restrict or limit County's right to damages for any breach of this Contract provided by law or as specified in Sub-paragraph 8.26.2, and shall not, in any manner, restrict or limit County's right to terminate this Contract as agreed to herein.

## **8.27 MOST FAVORED PUBLIC ENTITY**

8.27.1 If Contractor's prices decline, or should Contractor at any time during the term of this Contract provide the same goods or Services under similar quantity and delivery conditions to the State of California or any county, municipality, or district of the State at prices below those set forth in this Contract, then such lower prices shall be immediately extended to County.

## **8.28 NON-DISCRIMINATION AND AFFIRMATIVE ACTION**

8.28.1 Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and shall be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and

regulations.

- 8.28.2 Contractor shall certify to, and comply with, the provisions of Exhibit D (Contractor's Equal Employment Opportunity Certification).
- 8.28.3 Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- 8.28.4 Contractor certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation.
- 8.28.5 Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract.
- 8.28.6 Contractor shall allow County representatives access to Contractor's employment records during County's regular business hours to verify compliance with the provisions of this Paragraph 8.28 when so requested by County.
- 8.28.7 If County finds that any provisions of this Paragraph 8.28 have been violated, such violation shall constitute a material breach of this Contract upon which County may terminate or suspend this Contract. While County reserves the right to determine independently that the anti-discrimination provisions of this Contract have been violated, in addition, a determination by the California Fair Employment and Housing Commission or the Federal Equal Employment Opportunity Commission that Contractor has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by County that Contractor has violated the anti-discrimination provisions of this Contract.
- 8.28.8 The parties agree that in the event Contractor violates any of the anti-discrimination provisions of this Contract, County shall, at its sole option, be entitled to the sum of \$500 for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Contract.

**8.29 NON-EXCLUSIVITY**

- 8.29.1 Nothing herein is intended nor shall be construed as creating any

exclusive arrangement with Contractor. This Contract shall not restrict County from acquiring similar, equal or like goods and/or Services from other entities or sources.

**8.30 NOTICE OF DELAYS**

8.30.1 Except as otherwise provided under this Contract, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Contract, that party shall, within one (1) business day, give notice thereof, including all relevant information with respect thereto, to the other party.

**8.31 NOTICE OF DISPUTES**

8.31.1 Contractor shall bring to the attention of County's Program Manager and/or County's Contract Manager any dispute between County and Contractor regarding the performance of Services as stated in this Contract. If County's Program Manager or County's Contract Manager is not able to resolve the dispute, County's Department Head or his/her designee shall resolve it.

**8.32 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT**

8.32.1 Contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the Federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service (IRS) Notice 1015. Contractor shall obtain the most current version of IRS Notice 1015 on-line at the IRS website: [www.irs.gov](http://www.irs.gov).

**8.33 NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW**

8.33.1 Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in Exhibit I (Safely Surrendered Baby Law Fact Sheet), of this Contract and is also available on the Internet at [www.babysafela.org](http://www.babysafela.org) for printing purposes.

**8.34 NOTICES**

8.34.1 All notices or demands required or permitted to be given or made under this Contract shall be in writing and shall be hand-delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, addressed to the parties as identified in Exhibit E (County's Administration) and Exhibit F (Contractor's Administration). Addresses may be changed by either party giving ten (10) days' prior written notice thereof to the other party. County's Contract Manager or his/her designee shall have the authority to issue all notices or demands required or permitted by County under this Contract.

**8.35 PROHIBITION AGAINST INDUCEMENT OR PERSUASION**

- 8.35.1 Notwithstanding the above, Contractor and County agree that, during the term of this Contract and for a period of one (1) year thereafter, neither party shall in any way intentionally induce or persuade any employee of one party to become an employee or agent of the other party. No bar exists against any hiring action initiated through a public announcement.

**8.36 PUBLIC RECORDS ACT**

- 8.36.1 Any documents submitted by Contractor, all information obtained in connection with County's right to audit and inspect Contractor's documents, books, and accounting records pursuant to Paragraph 8.38 (Record Retention and Inspection/Audit Settlement), as well as those documents which were required to be submitted in response to the solicitation used to procure this Contract, become the exclusive property of County. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. (California Public Records Act) and which are marked "trade secret", "confidential", or "proprietary". County shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.
- 8.36.2 In the event County is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a proposal marked "trade secret", "confidential", or "proprietary", Contractor agrees to defend and indemnify County from all costs and expenses, including reasonable attorney's fees, in an action or liability arising under the California Public Records Act.

**8.37 PUBLICITY**

- 8.37.1 Contractor shall not disclose any details in connection with this Contract to any person or entity except as may be otherwise provided hereunder or required by law. However, in recognizing Contractor's need to identify its Services and related Clients to sustain itself, County shall not inhibit Contractor from publishing its role under this Contract within the following conditions:
- 8.37.1.1 Contractor shall develop all publicity material in a professional manner; and
- 8.37.1.2 During the term of this Contract, Contractor shall not, and shall not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of County without the prior written consent of County's Contract Manager. County shall not unreasonably withhold written consent.
- 8.37.2 Without the prior written consent of County, Contractor may indicate in its proposals and sales materials that it has been awarded this Contract with the County of Los Angeles, provided that the requirements of this Paragraph 8.37 shall apply.

- 8.37.3 Contractor shall not use or display the official seal of the County of Los Angeles or the logo of Community and Senior Services on any of its letterhead or other communications with any debtor, or for any other reason, unless each form of usage has prior written approval of the Los Angeles County Board of Supervisors.

**8.38 RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT**

**8.38.1 Record Retention Requirements**

- 8.38.1.1 Contractor shall maintain accurate and complete financial records (such as bank statements, cancelled checks or other proof of payment) of its activities and operations relating to this Contract in accordance with Generally Accepted Accounting Principles. Contractor shall also maintain all materials, including, but not limited to, complete employment records (such as timecards, sign-in/sign-out sheets and other time and employment records), supporting Program documents and proprietary data and information relating to its performance of this Contract. Contractor shall further maintain on file the entirety of this Contract, its amendments and/or addendums, modifications and all applicable laws, regulations, directives and guidance which are hereby incorporated by reference. Contractor shall ensure that the security and integrity of all records are maintained throughout the entire term of this Contract and during the authorized retention period as outlined below.
- 8.38.1.2 Contractor shall adhere to the requirements of the authorized retention period, which shall be the greater of the following: throughout the entire term of this Contract and no less than five (5) years after the expiration or termination of this Contract unless Contractor receives County's written permission to dispose of any such material prior to such time; until an audit of this Contract has occurred and a written audit resolution has been issued or unless otherwise authorized in writing by County; or, for such longer period, if any, as required by applicable statute, by any other provision of this Contract, by Sub-paragraphs 8.38.2.2 and 8.38.2.3 or as County deems necessary (which shall be communicated to Contractor in writing).
- 8.38.1.3 All such material shall be maintained by Contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at County's option, Contractor shall pay County for travel, per diem, and other costs incurred by County to examine, audit, excerpt, copy, or transcribe such material at such other location.
- 8.38.1.4 After the authorized retention period has expired, Contractor shall dispose of, shred or destroy all

confidential records in a manner that will maintain confidentiality. Contractor shall obtain a certificate of destruction to substantiate that all confidential records have been securely destroyed. Contractor shall notify County's Contract Manager in writing within thirty (30) days after such records are destroyed. The certificate of destruction shall be provided to County's Contract Manager upon County's request.

#### **8.38.2 Access to Records**

- 8.38.2.1 Contractor agrees that County and any of its duly authorized representatives (which may include State authorities, Federal agencies (including, but not limited to, Comptroller of the United States, Office of the Inspector General and General Accounting Office) and/or any of their duly authorized representatives), shall have both access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or record relating to this Contract any books, documents, papers and records of Contractor that are directly pertinent to this Contract (as determined by County and its duly authorized representatives). The rights of access which are outlined in this Contract shall not be limited to the authorized retention period but shall last as long as the records are retained.
- 8.38.2.2 If this Contract (or any part thereof) is terminated, Contractor shall preserve and make all records, relating to the Work terminated, available during the authorized retention period of this Contract. Contractor shall ensure that any resource directories and all Client records remain the property of County upon termination of this Contract, and that they are returned to County or transferred to another contractor as instructed by County in writing.
- 8.38.2.3 In the event of any litigation, claim, negotiation, audit exception or other action involving the records, Contractor shall maintain all records relative to such action and shall make them available to County and/or its duly authorized representatives until every action has been cleared to the satisfaction of County and/or its duly authorized representatives, and such clearance must be evidenced to Contractor in writing.
- 8.38.2.4 County reserves the right to take physical custody of Contractor's records when any of the following situations occur: in the event that a potential litigation may be levied against Contractor for its Work performed under this Contract; when County determines that Contractor is at a high risk of ceasing its operations during any



time within the Contract term or prior to the end of the retention period; when County determines that the records have long-term value; and/or, in the event that County and Contractor terminate the contractual relationship. For purposes of this Contract, high risk is determined by County using criteria which includes but is not limited to the following: history of unsatisfactory contractual performance; financial instability or insolvency; documented evidence of an inadequate management system and lack of internal controls; non-conformance to the terms and conditions of previous awards; non-responsible; and/or history of disallowed costs.

### **8.38.3 Monitoring Reviews**

8.38.3.1 Contractor shall provide the Services herein under the general supervision of County's Department Head and his/her authorized administrators who are designated in Paragraph 6.0 (Administration of Contract-County). County shall supervise, monitor and specify the kind, quality, appropriateness, timeliness and amount of the Services to be provided by Contractor as well as the criteria for determining the persons to be served (Clients). Contractor shall extend to County and to representatives authorized by County (including, but not limited to, State and Federal representatives) the right to observe, review and monitor Contractor's facilities, programs, records, procedures, performance, activities, or documents, which are used under this Contract. Contractor shall provide County (or other designated authorities) the right to conduct such reviews at any time during County's hours of operation. County (or other designated authorities) shall not unreasonably interfere with Contractor's performance. The requirements of this Paragraph 8.38 shall also apply to subcontractors providing Services on behalf of Contractor.

8.38.3.2 County will monitor Contractor's Services provided under this Contract on a regular basis and County may conduct unannounced site visits to ensure Contractor's compliance with this Contract. County will summarize the results of the monitoring efforts in written reports, which shall be supported with documented evidence of follow-up actions taken to correct areas of non-compliance. Monitoring activities may include, but are not limited to interviewing Contractor employees and, when applicable, Clients; entering any premises or any site in which any of the Services or activities funded are being conducted or in which any records of Contractor are kept; etc. All information will be maintained in a confidential manner in accordance with any and all Federal, State and local laws.

8.38.3.3 Contractor shall be responsible for monitoring the activities of its subcontractor(s) providing Services. Contractor shall conduct on-site fiscal and program monitoring reviews which shall be documented and maintained on file according to the record retention requirements provided in this Paragraph 8.38. Contractor shall ensure that subcontractor(s) adheres to all requirements for correcting areas of non-compliance, and implements the corrective action plan which has been approved by Contractor.

8.38.4 **Independent Audit Requirements**

8.38.4.1 OMB Circular A-133 requires that organizations which expend \$500,000 or more in a year in Federal awards, including pass-through awards, shall obtain an annual audit (either a single audit or a Program-specific audit). When Contractor's organization meets this requirement (as specified in OMB Circular A-133), Contractor shall ensure that such audit shall be conducted by an independent auditor in accordance with the requirements outlined in the most recent version of OMB Circular A-133 (and any amendments or supplements thereto). Upon auditor's completion of the single audit or the Program-specific audit, Contractor shall obtain both the data collection form and the reporting package (i.e., auditor's report), as described in OMB Circular A-133, from the auditor for each audit period (i.e., each Fiscal Year or Program Year). Contractor shall submit a copy of the auditor's report to County's Compliance Manager within thirty (30) days after receipt of auditor's report but no later than nine (9) months following the end of the audit period.

8.38.4.2 When the requirements provided above for obtaining an annual audit do not apply to Contractor for any Fiscal Year (or Program Year), Contractor shall make its records available for review or audit by County and any of its duly authorized representatives (which may include State authorities, Federal agencies (including, but not limited to, Comptroller of the United States, Office of the Inspector General and General Accounting Office) and/or any of their duly authorized representatives). Such review or audit may include but is not limited to financial audits, performance audits, evaluations, inspections, monitoring, etc. as determined by County and/or by any other oversight agency that is responsible for overseeing Contract Funds, the Program and Services. Contractor shall comply with the review and audit requirements which shall be identified in writing by County and/or its duly authorized representatives.

8.38.4.3 In the event that an audit of Contractor is conducted

specifically regarding this Contract by any Federal or State auditor, or by any auditor or accountant employed by Contractor or otherwise, then Contractor shall file a copy of such audit report with County's Compliance Manager within thirty (30) days of Contractor's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Contract. Subject to applicable law, County shall make a reasonable effort to maintain the confidentiality of such audit report(s).

- 8.38.4.4 If, at any time during the term of this Contract or during the authorized retention period of this Contract as noted in Sub-paragraph 8.38.1, representatives of County conduct an audit of Contractor regarding the Work performed under this Contract, and if such audit finds that County's dollar liability for any such Work is less than payments made by County to Contractor, then the difference shall be either: a) repaid by Contractor to County by cash payment upon demand; or, b) at the sole option of the County's Auditor-Controller, deducted from any amounts due to Contractor from County, whether under this Contract or otherwise. If such audit finds that County's dollar liability for such Work is more than the payments made by County to Contractor, then the difference shall be paid to Contractor by County by cash payment, provided that in no event shall County's maximum obligation for this Contract exceed the funds appropriated by County for the purpose of this Contract.

8.38.5 **Failure to Comply With Requirements**

- 8.38.5.1 Failure on the part of Contractor to comply with any of the provisions of this Paragraph 8.38 shall constitute a material breach of this Contract upon which County may terminate or suspend this Contract.

**8.39 RECYCLED BOND PAPER**

- 8.39.1 Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at Los Angeles County landfills, Contractor agrees to use recycled-content paper to the maximum extent possible on this Contract.

**8.40 SUBCONTRACTING**

- 8.40.1 The requirements of this Contract may not be subcontracted by Contractor **without the advance written approval of County**. Any attempt by Contractor to subcontract without the prior consent of County shall be deemed a material breach of this Contract.
- 8.40.2 If Contractor desires to subcontract, Contractor shall provide the following information promptly at County's request:

- 8.40.2.1 A description of the Work to be performed by the subcontractor;
  - 8.40.2.2 A draft copy of the proposed subcontract; and
  - 8.40.2.3 Other pertinent information and/or certifications requested by County.
- 8.40.3 Contractor shall indemnify and hold County harmless with respect to the activities of each and every subcontractor in the same manner and to the same degree as if such subcontractor(s) were Contractor employees.
- 8.40.4 Contractor shall remain fully responsible for all performances required of it under this Contract, including those that Contractor has determined to subcontract, notwithstanding County's approval of Contractor's proposed subcontract.
- 8.40.5 County's consent to subcontract shall not waive County's right to prior and continuing approval of any and all personnel, including subcontractor employees, providing Services under this Contract. Contractor is responsible for notifying its subcontractors of this County right.
- 8.40.6 County's Contract Manager is authorized to act for and on behalf of County with respect to approval of any subcontract and subcontractor employees. After approval of the subcontract by County, Contractor shall forward a copy of the fully executed subcontract to County's Contract Manager within five (5) days of its execution.
- 8.40.7 Contractor shall be solely liable and responsible for all payments or other compensation to all subcontractors and their officers, employees, agents, and successors in interest arising through Services performed hereunder, notwithstanding County's consent to subcontract.
- 8.40.8 Contractor shall obtain certificates of insurance, which establish that the subcontractor maintains all the programs of insurance required by County from each approved subcontractor. Contractor shall ensure delivery of all such certificate of insurance documents before any subcontractor employee may perform any Work hereunder. These documents shall be delivered to:
- County of Los Angeles  
Community and Senior Services  
Contracts Management Division  
Attention: County's Contract Manager  
3175 West Sixth Street  
Los Angeles, CA 90020
- 8.40.9 Amending a subcontract may be initiated by either Contractor or

County. When an amendment is initiated by County, County shall outline the reason(s) for the amendment and Contractor shall comply with County's request. All subcontract amendments are subject to review and must be approved in writing by County before they are executed. Contractor shall provide a draft copy of the proposed amendment to County's Contract Manager, and shall allow County ten (10) days to complete its review process. After County's approval of Contractor's amendment, Contractor shall forward a copy of the fully executed amendment to County's Contract Manager within five (5) days of its execution.

8.40.10 Contractor shall adhere to all applicable Federal, State and/or County requirements for the procurement of a subcontractor(s) and/or vendor services using Contract Funds.

8.40.11 In the event County approves Contractor's request to subcontract any part of the requirements of this Contract, all applicable provisions and requirements of this Contract shall be made applicable to such subcontract. To this end, Contractor shall include the following provision in the subcontract: This Contract is a subcontract under the terms of a prime contract (identified as Contract Number [ @ PO Document Number @ ]) with the County of Los Angeles Community and Senior Services and shall be subject to all of the provisions of such prime Contract. All representations and warranties under this Contract shall inure to the benefit of the County of Los Angeles.

**8.41 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM**

8.41.1 Failure of Contractor to maintain compliance with the requirements set forth in Paragraph 8.14 (Contractor's Warranty of Adherence to County's Child Support Compliance Program), shall constitute default under this Contract. Without limiting the rights and remedies available to County under any other provision of this Contract, failure of Contractor to cure such default within ninety (90) calendar days of written notice shall be grounds upon which County may terminate this Contract pursuant to Paragraph 8.43 (Termination for Default) and pursue debarment of Contractor, pursuant to Los Angeles County Code Chapter 2.202.

**8.42 TERMINATION FOR CONVENIENCE**

8.42.1 County may terminate this Contract, in whole or in part, from time to time or permanently, when such action is deemed by County, in its sole discretion, to be in its best interest. Termination of Work hereunder shall be effected by notice of termination to Contractor specifying the extent to which performance of Work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than thirty (30) calendar days after the notice is sent.

8.42.2 Upon receipt of a notice of termination and except as otherwise directed by County, Contractor shall immediately:

- 8.42.2.1 Stop Work under this Contract on the date and to the extent specified in such notice;
- 8.42.2.2 Complete performance of such part of the Work as shall not have been terminated by such notice;
- 8.42.2.3 Transfer title and deliver to County all completed Work and Work in process.

8.42.3 All material including books, records, documents, or other evidence bearing on the costs and expenses of Contractor under this Contract shall be maintained by Contractor in accordance with Paragraph 8.38 (Record Retention and Inspection/Audit Settlement).

#### **8.43 TERMINATION FOR DEFAULT**

8.43.1 County may, by written notice to Contractor, terminate the whole or any part of this Contract, if, in the judgment of County:

- 8.43.1.1 Contractor has materially breached this Contract; or
- 8.43.1.2 Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, Service, or other work required under this Contract; or
- 8.43.1.3 Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under this Contract, or of any obligations of this Contract and in either case, fails to demonstrate convincing progress toward a cure within five (5) working days (or such longer period as County may authorize in writing) after receipt of written notice from County specifying such failure.

8.43.2 In the event that County terminates this Contract in whole or in part as provided in Sub-paragraph 8.43.1, County may procure, upon such terms and in such manner as County may deem appropriate, goods and Services similar to those so terminated. Contractor shall be liable to County for any and all excess costs incurred by County, as determined by County, for such similar goods and Services. Contractor shall continue the performance of this Contract to the extent not terminated under the provisions of this Paragraph 8.43.

8.43.3 Except with respect to defaults of any subcontractor, Contractor shall not be liable for any such excess costs of the type identified in Sub-paragraph 8.43.2 if its failure to perform this Contract arises out of causes beyond the control and without the fault or negligence of Contractor. Such causes may include, but are not limited to: acts of nature or of the public enemy, acts of County in either its sovereign or contractual capacity, acts of Federal or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of Contractor. If the failure to perform is caused by

the default of a subcontractor, and if such default arises out of causes beyond the control of both Contractor and subcontractor, and without the fault or negligence of either of them, Contractor shall not be liable for any such excess costs for failure to perform, unless the goods or Services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Contractor to meet the required performance schedule. As used in this Paragraph 8.43, the term "subcontractor(s)" means subcontractor(s) at any tier.

8.43.4 If, after County has given notice of termination under the provisions of this Paragraph 8.43, it is determined by County that Contractor was not in default under the provisions of this Paragraph 8.43, or that the default was excusable under the provisions of Sub-paragraph 8.43.3, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Paragraph 8.42 (Termination for Convenience).

8.43.5 The rights and remedies of County provided in this Paragraph 8.43, shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

#### **8.44 TERMINATION FOR IMPROPER CONSIDERATION**

8.44.1 County may, by written notice to Contractor, immediately terminate the right of Contractor to proceed under this Contract if it is found that consideration, in any form, was offered or given by Contractor, either directly or through an intermediary, to any County officer, employee, or agent with the intent of securing this Contract or securing favorable treatment with respect to the award, amendment, or extension of this Contract or the making of any determinations with respect to Contractor's performance pursuant to this Contract. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

8.44.2 Contractor shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to County manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.

8.44.3 Among other items, such improper consideration may take the form of cash, discounts, services, the provision of travel or entertainment, or tangible gifts.

#### **8.45 TERMINATION FOR INSOLVENCY**

8.45.1 County may terminate this Contract forthwith in the event of the occurrence of any of the following:

8.45.1.1 Insolvency of Contractor. Contractor shall be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not Contractor is insolvent within the meaning of the Federal Bankruptcy Code;

8.45.1.2 The filing of a voluntary or involuntary petition regarding Contractor under the Federal Bankruptcy Code;

8.45.1.3 The appointment of a Receiver or Trustee for Contractor; or

8.45.1.4 The execution by Contractor of a general assignment for the benefit of creditors.

8.45.2 The rights and remedies of County provided in this Paragraph 8.45, shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

**8.46 TERMINATION FOR NON - ADHERENCE OF COUNTY LOBBYIST ORDINANCE**

8.46.1 Contractor, and each County Lobbyist or County Lobbying firm as defined in Los Angeles County Code Section 2.160.010 retained by Contractor, shall fully comply with the County's Lobbyist Ordinance, Los Angeles County Code Chapter 2.160. Failure on the part of Contractor or any County Lobbyist or County Lobbying firm retained by Contractor to fully comply with County's Lobbyist Ordinance shall constitute a material breach of this Contract, upon which County may in its sole discretion, immediately terminate or suspend this Contract.

**8.47 TERMINATION FOR NON - APPROPRIATION OF FUNDS**

8.47.1 Notwithstanding any other provision of this Contract, County shall not be obligated for Contractor's performance hereunder or by any provision of this Contract during any of County's future Fiscal Years unless and until the County's Board of Supervisors appropriates funds for this Contract in County's Budget for each such future Fiscal Year. In the event that funds are not appropriated for this Contract, then this Contract shall terminate as of June 30 of the last Fiscal Year for which funds were appropriated. County shall notify Contractor in writing of any such non-allocation of funds at the earliest possible date.

**8.48 VALIDITY**

8.48.1 If any provision of this Contract or the application thereof to any person or circumstance is held invalid, the remainder of this Contract and the application of such provision to other persons or circumstances shall not be affected thereby.

**8.49 WAIVER**

8.49.1 No waiver by County of any breach of any provision of this



Contract shall constitute a waiver of any other breach or of such provision. Failure of County to enforce at any time, or from time to time, any provision of this Contract shall not be construed as a waiver thereof. The rights and remedies set forth in this Paragraph 8.49, shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

**8.50 WARRANTY AGAINST CONTINGENT FEES**

8.50.1 Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this Contract upon any agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by Contractor for the purpose of securing business.

8.50.2 For breach of this warranty, County shall have the right to terminate this Contract and, at its sole discretion, deduct from the Contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

**8.51 WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM**

8.51.1 Contractor acknowledges that County has established a goal of ensuring that all individuals and businesses that benefit financially from County through contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon County and its taxpayers. Unless Contractor qualifies for an exemption or exclusion, Contractor warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this Contract will maintain compliance, with Los Angeles County Code Chapter 2.206. Prior to the commencement of this Contract, Contractor shall complete Exhibit Q (Certification of Compliance with County's Defaulted Property Tax Reduction Program) and submit it to County's Contract Manager in the time and manner as designated by County.

**8.52 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM**

8.52.1 Failure of Contractor to maintain compliance with the requirements set forth in Paragraph 8.51 (Warranty of Compliance with County's Defaulted Property Tax Reduction Program), shall constitute default under this Contract. Without limiting the rights and remedies available to County under any other provision of this Contract, failure of Contractor to cure such default within ten (10) days of notice shall be grounds upon which County may terminate this Contract and/or pursue debarment of Contractor, pursuant to Los Angeles County Code Chapter 2.206.

**8.53 TIME OFF FOR VOTING**

8.53.1 Contractor shall notify and provide its employees, and shall require each subcontractor to notify and provide its employees, information regarding the time off for voting law pursuant to California Elections Code (EC) Section 14000. Not less than

ten (10) days before every statewide election, Contractor and its subcontractor(s) shall keep posted conspicuously at the place of work, if practicable, or elsewhere where it can be seen as employees come or go to their place of work, a notice setting forth the provisions of EC Section 14000.

## **9.0 UNIQUE TERMS AND CONDITIONS**

### **9.1 ALLEGATIONS OF FRAUD AND/OR ABUSE**

#### **9.1.1 Fraud Prevention Reporting**

9.1.1.1 Contractor's staff working on this Contract shall immediately report all suspected or actual instances of fraud as designated in Exhibit K (Accounting, Administration and Reporting Requirements).

#### **9.1.2 Child Abuse Reporting**

9.1.2.1 Contractor's staff working on this Contract shall comply with the Child Abuse and Neglect Reporting Act (California Penal Code (PC) Section 11164 et seq.), and shall report all known and suspected instances of child abuse to an appropriate child protective agency, as mandated by the referenced Penal Code. Additionally, Contractor's staff working on this Contract shall also report such abuse to the Los Angeles County Department of Children and Family Services by calling the hotline at (800) 540-4000 within twenty-four (24) hours of discovering or suspecting the abuse. Contractor's staff shall submit all required information to the appropriate authorities in accordance with PC Sections 11166 and 11167.

#### **9.1.3 Elder and Dependent Adult Abuse Reporting**

9.1.3.1 Contractor's staff working on this Contract shall comply with the Elder Abuse and Dependent Adult Civil Protection Act (California Welfare and Institutions Code (WIC) Section 15600 et seq.), and shall report all known or suspected instances of physical abuse of elders and dependent adults either to an appropriate County adult protective services agency or to a local law enforcement agency, as mandated by the referenced Welfare and Institutions Code. Contractor's staff working on this Contract shall report the abuse and shall submit all required information in accordance with WIC Sections 15630, 15633 and 15633.5.

#### **9.1.4 Withholding of Payment**

9.1.4.1 In the event that allegations of fraud and/or abuse are levied against Contractor or any individual or entity performing Work under this Contract on behalf of Contractor, County reserves the right to withhold either ten percent (10%) of the Maximum Annual Contract Sum (in the event that this Contract is funded for one (1) Fiscal Year or Program Year term then ten percent (10%) will be

withheld from the Maximum Contract Sum) or the amount of the final year-end invoice, whichever is greater, until a determination is issued in writing by County that withheld funds will be released to Contractor. For purposes of this Contract, fraud and abuse shall include but are not limited to the following: misapplication of funds; embezzlement; forgery; theft; solicitation and receipt of bribes; falsification of records; inauditable records; unsupported or undocumented Contract expenditures; inaccurate fiscal and/or Program reports; misuse of fixed assets or non-fixed assets purchased with Contract Funds (when the procurement of such assets are authorized in this Contract); violation of conflict of interest requirements; etc.

## **9.2 AMERICANS WITH DISABILITIES ACT (ADA)**

- 9.2.1 Contractor shall abide by all applicable Federal, State and local laws including the Americans with Disabilities Act (ADA) and its requirement to provide reasonable accommodations and auxiliary aids or services, unless compliance with the ADA would place an undue financial burden on, or would fundamentally alter the nature of, Contractor's operations. Contractor shall submit demonstrable evidence of such undue financial burden to County in such circumstances.

## **9.3 CONTRACTOR'S CHARITABLE ACTIVITIES COMPLIANCE**

- 9.3.1 The Supervision of Trustees and Fundraisers for Charitable Purposes Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (Senate Bill 1262, Chapter 919) increased Charitable Purposes Act requirements. By requiring Contractor to complete Exhibit O (Charitable Contributions Certification), County seeks to ensure that all County contractors which receive or raise charitable contributions comply with California law in order to protect Los Angeles County and its taxpayers. When Contractor receives or raises charitable contributions without complying with its obligations under California law, Contractor commits a material breach subjecting it to termination of this Contract, debarment proceedings or both (Los Angeles County Code Chapter 2.202). Prior to the commencement of this Contract, Contractor shall submit the completed Exhibit O (Charitable Contributions Certification) to County's Contract Manager in the time and manner as designated by County.

## **9.4 HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 ("HIPAA")**

- 9.4.1 County is subject to the Administrative Simplification requirements and prohibitions of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (hereafter "HIPAA"), and regulations promulgated thereunder, including the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR 160 and 164 (collectively, the "HIPAA Rules"). Under this Contract, Contractor provides Services to County and Contractor creates, has access to, receives, maintains, or transmits Protected Health Information as defined in Exhibit P

(Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA")) in order to provide those Services. County and Contractor therefore agree to the terms of Exhibit P (Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA")).

## **9.5 FIXED AND NON-FIXED ASSETS AND SUPPLIES**

- 9.5.1 Contractor may use Contract Funds to purchase Fixed Assets, Non-Fixed Assets and Supplies, which are defined in Exhibit M (Purchase, Inventory and Disposal Requirements for Fixed and Non-Fixed Assets and Supplies). Prior to the commencement of this Contract (and annually thereafter), Contractor shall complete Exhibit N (Inventory Control Form) and submit it to County's Contract Manager in the time and manner as designated by County. Contractor shall adhere to the purchase, inventory and disposal requirements for all Fixed Assets, Non-Fixed Assets and Supplies purchased with Contract Funds, as provided by Federal and State regulations as well as the requirements outlined in Exhibit M (Purchase, Inventory and Disposal Requirements for Fixed and Non-Fixed Assets and Supplies).

## **9.6 LIMITATION ON CORPORATE ACTS**

- 9.6.1 Contractor shall not amend its articles of incorporation or bylaws, move to dissolve or transfer any assets obtained using Contract Funds, or take any other steps which may materially affect the performance of this Contract without first notifying County in writing no less than thirty (30) days prior to said action. Contractor shall notify County's Contract Manager immediately in writing of any change in Contractor's corporate name.
- 9.6.2 If, in County's sole discretion, the steps taken by Contractor are determined to materially affect Contractor's performance of this Contract, County may, at its sole discretion, take any (or all) of the following actions:
- 9.6.2.1 Require Contractor to remedy the areas that affect Contractor's ability to perform its obligations under this Contract.
  - 9.6.2.2 Suspend Contractor from performing (and receiving payment for) Contract tasks until a remedy has been reached.
  - 9.6.2.3 Terminate this Contract pursuant to Paragraph 8.43 (Termination for Default).

## **9.7 LOCAL SMALL BUSINESS ENTERPRISE PREFERENCE PROGRAM**

- 9.7.1 This Contract is subject to the provisions of County's ordinance entitled Local Small Business Enterprise Preference Program, as codified in Los Angeles County Code Chapter 2.204.
- 9.7.2 Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a Local Small Business

Enterprise.

9.7.3 Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a Local Small Business Enterprise.

9.7.4 If Contractor has obtained certification as a Local Small Business Enterprise by reason of having furnished incorrect supporting information or by reason of having withheld information, and Contractor knew, or should have known, that the information furnished was incorrect or that the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this Contract to which it would not otherwise have been entitled, Contractor shall:

9.7.4.1 Pay to County any difference between the Contract amount and what County's costs would have been if this Contract had been properly awarded;

9.7.4.2 In addition to the amount described in Sub-paragraph 9.7.4.1, be assessed a penalty in an amount of not more than ten percent (10%) of the amount of this Contract; and

9.7.4.3 Be subject to the provisions of Los Angeles County Code Chapter 2.202 (Determinations of Contractor Non-responsibility and Contractor Debarment).

9.7.5 The above penalties shall also apply to Contractor when it has previously obtained proper certification, however, as a result of a change in its status would no longer be eligible for certification, and fails to notify State, Los Angeles County's Internal Services Department and/or other certifying department, of this information prior to responding to a solicitation or accepting this Contract award.

## **9.8 MANDATORY REQUIREMENT TO REGISTER ON COUNTY'S WEBVEN**

9.8.1 As a pre-condition to the award of this Contract, Contractor represents and warrants that it has registered in Los Angeles County's vendor registration system (hereafter "WebVen"). The WebVen contains Contractor's business profile and identifies the goods/services being provided by Contractor. Contractor shall ensure that it updates its vendor profile whenever changes occur to Contractor's operations by accessing the WebVen site located on-line at: <http://camisvr.co.la.ca.us/webven/>. County shall use the data obtained from Contractor's WebVen profile to ensure that Contractor's information is consistent with Contract records (e.g., Contractor's legal name, as reflected in its WebVen profile, shall be used in all Contract documents).

## **9.9 MODIFICATIONS**

### **9.9.1 Modifications to this Contract**

9.9.1.1 This Contract fully expresses the agreement of the

parties. Any modification to this Contract must be by means of a separate written document approved by County. No oral conversation between any officer, employee or agent of the parties shall modify or otherwise amend this Contract in any way. For purposes of this Paragraph 9.9, a Modification:

9.9.1.1.1 Is a mechanism that allows Contractor to revise its Budget or Services during the Fiscal Year or Program Year without adversely affecting Contractor's ability to fulfill its obligations under this Contract (i.e., such Modification shall not materially change Contractor's obligation to provide the Services outlined in Exhibit A (Statement of Work)).

9.9.1.1.2 Allows Contractor to fully utilize Contract Funds to fulfill the requirements of this Contract and adequately cover the provision of Services.

9.9.1.1.3 Is approved by County in writing, must be in the best interests of County and Contractor shall adhere to it in its entirety.

9.9.1.2 Any Modification, as described below, shall not change the terms, goals or requirements of this Contract. Such Modification provides Contractor some flexibility to operate within the terms of this Contract in order to fully utilize Contract Funds and to achieve Contractor's performance goals. Contractor's request for Modifications, either budgetary or programmatic, must be submitted in writing to County's Contract Manager. Contractor shall not request a Modification during the first quarter and during the last two (2) months of the current Fiscal Year or Program Year (except where a written waiver is requested by Contractor and granted by County).

## 9.9.2 **Budget Modifications**

9.9.2.1 The movement of funds within an approved Budget from one line item to another line item is classified as a Budget Modification. For the entirety of any Fiscal Year or Program Year, a Budget Modification shall not exceed twenty percent (20%) of the baseline amount allocated to the line items being modified (i.e., Contractor's movement of funds among line items shall not cause one line item to be reduced or increased by more than twenty percent (20%) of its baseline amount). For purposes of this Paragraph 9.9, baseline is defined as the original amount allocated at the beginning of a Fiscal Year

or Program Year; for Fiscal Years or Program Years following the first Fiscal Year or Program Year, such amount may differ from what is reflected in the original Contract. A Budget Modification shall not change the Maximum Annual Contract Sum or the Maximum Contract Sum. Contractor shall notify County's Contract Manager in writing to request authorization prior to submitting a Budget Modification. On the date County approves a Budget Modification, such Budget Modification shall replace any prior Budget Modification(s) approved by County within the same Fiscal Year or Program Year (i.e., when Contractor's Budget Modification number 2 is approved by County, it becomes effective upon the approval date and Contractor's Budget Modification number 1 is no longer effective as of that same date).

### **9.9.3 Program Modifications**

9.9.3.1 The movement of Services from one Service category (as defined in Exhibit A (Statement of Work)) to another is classified as a Program Modification. Contractor shall notify County's Contract Manager in writing to request authorization prior to submitting a Program Modification. On the date County approves a Program Modification, such Program Modification shall replace any prior Program Modification(s) approved by County within the same Fiscal Year or Program Year (i.e., when Contractor's Program Modification number 2 is approved by County, it becomes effective upon the approval date and Contractor's Program Modification number 1 is no longer effective as of that same date).

## **9.10 NEPOTISM**

9.10.1 Contractor certifies that it shall not hire nor permit the hiring of any person in a position funded under this Contract if a member of the person's immediate family is employed in an administrative capacity by Contractor. For purposes of this Paragraph 9.10, the term "immediate family" means spouse (common law or otherwise, and including domestic partner), child, mother, father, brother, sister, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, father-in-law, aunt, uncle, niece, nephew, step-parent, step-child, or such other relationship which would give rise to a substantial appearance of impropriety if the person were to be hired by Contractor. The term "administrative capacity" means a position that has overall administrative responsibility for the Program, including but not limited to selection, hiring, or supervisory responsibilities.

## **9.11 OWNERSHIP OF MATERIALS, SOFTWARE AND COPYRIGHT**

9.11.1 County shall be the sole owner of all right, title and interest, including copyright, in and to all software, plans, diagrams, facilities, and tools (hereafter "materials") which are originated or created through Contractor's Work pursuant to this Contract. Contractor, for valuable consideration herein provided, shall

execute all documents necessary to assign and transfer to, and vest in County all of Contractor's right, title and interest in and to such original materials, including any copyright, patent and trade secret rights which arise pursuant to Contractor's Work under this Contract.

- 9.11.2 During the term of this Contract and during the authorized retention period of this Contract, Contractor shall maintain and provide security for all of Contractor's working papers prepared under this Contract. County shall have the right to inspect, copy and use at any time during the term of this Contract and during the authorized retention period of this Contract, any and all such working papers and all information contained therein.
- 9.11.3 Any and all materials, software and tools which are developed or were originally acquired by Contractor outside the scope of this Contract, which Contractor desires to use hereunder, and which Contractor considers to be proprietary or confidential, must be specifically identified by Contractor to County's Contract Manager as proprietary or confidential, and shall be plainly and prominently marked by Contractor as "Proprietary" or "Confidential" on each appropriate page of any document containing such material.
- 9.11.4 County will use reasonable means to ensure that Contractor's proprietary and/or confidential items are safeguarded and held in confidence. County agrees not to reproduce, distribute or disclose to non-County entities any such proprietary and/or confidential items without the prior written consent of Contractor.
- 9.11.5 Notwithstanding any other provision of this Contract, County will not be obligated to Contractor in any way under Sub-paragraph 9.11.4 for any of Contractor's proprietary and/or confidential items which are not plainly and prominently marked with restrictive legends as required by Sub-paragraph 9.11.3 or for any disclosure which County is required to make under any Federal or State law or order of court.
- 9.11.6 Notwithstanding any other provision of this Contract, County and Contractor agree that County shall have all ownership rights of software or modification thereof and associated documentation designed, developed or installed using Federal financial participation. The Federal government shall have a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, or otherwise use and to authorize others to use for Federal government purposes, such software, modifications and documentation. Notwithstanding any other provision of this Contract, proprietary operating/vendor software packages, which are provided at established catalog or market prices and sold or leased to the general public, shall not be subject to the ownership provisions of this Paragraph 9.11.
- 9.11.7 All the rights and obligations of this Paragraph 9.11 shall survive the expiration or termination of this Contract.

## **9.12 PATENT, COPYRIGHT AND TRADE SECRET INDEMNIFICATION**

- 9.12.1 Contractor shall indemnify, hold harmless and defend County



from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, for or by reason of any actual or alleged infringement of any third-party's patent or copyright, or any actual or alleged unauthorized trade secret disclosure, arising from or related to the operation and utilization of Contractor's Work under this Contract. County shall inform Contractor as soon as practicable of any claim or action alleging such infringement or unauthorized disclosure, and shall support Contractor's defense and settlement thereof.

9.12.2 In the event any equipment, part thereof, or software product becomes the subject of any complaint, claim, or proceeding alleging infringement or unauthorized disclosure, such that County's continued use of such item is formally restrained, enjoined, or subjected to a risk of damages, Contractor, at its sole expense, and providing that County's continued use of the system is not materially impeded, shall either:

9.12.2.1 Procure for County all rights to continued use of the questioned equipment, part, or software product; or

9.12.2.2 Replace the questioned equipment, part, or software product with a non-questioned item; or

9.12.2.3 Modify the questioned equipment, part, or software so that it is free of claims.

9.12.3 Contractor shall have no liability if the alleged infringement or unauthorized disclosure is based upon a use of the questioned product, either alone or in combination with other items not supplied by Contractor, in a manner for which the questioned product was not designed nor intended.

## **9.13 PROBATION AND SUSPENSION**

9.13.1 Contractor may be placed on probation, suspension or a combination thereof when County determines that Contractor is not in compliance with any Service, Work, task, deliverable or requirement outlined in this Contract and/or when Contractor has demonstrated a consistent and significant lack of achievement of the Contract goals (including, but not limited to, meeting the requirements for Program performance, the Budget, expenditures, staffing, administration, etc.). County shall notify Contractor in writing in the event that Contractor is placed on probation, suspension or a combination thereof.

### **9.13.2 Probation**

9.13.2.1 Probation as used herein shall mean a specified period of time (as determined by County) during which Contractor must remedy all areas of non-compliance which have been identified by County or its duly authorized representative(s). County shall monitor Contractor's adherence to such remedy(ies) during the probation. County will determine whether or not Contractor may continue to provide Services during Contractor's probation and County will notify Contractor in

writing of this determination. Contractor's ability to obtain future funding may be impacted when Contractor does not remedy its non-compliance during its probation and/or when Contractor is placed on multiple probations (as determined by County at County's sole discretion).

**9.13.3 Suspension**

9.13.3.1 Suspension as used herein shall mean a specified period of time (as determined by County) during which County will withhold payment from Contractor, County will institute a temporary curtailment of the Services provided by Contractor and its subcontractor(s), if any, or a combination thereof. During the suspension, Contractor has a continuing obligation to remedy the areas of non-compliance which have been identified by County or its duly authorized representative(s). County shall monitor Contractor's adherence to such remedy(ies) during the suspension. When County institutes a temporary curtailment of Services, County shall provide Contractor a written description of the Service(s) being suspended. When applicable, County may also provide Contractor a written determination stating whether or not Contractor may continue to provide non-suspended Services, if any, during the suspension. At County's sole discretion, when Contractor's payment(s) and/or Services are suspended, County may also elect to transfer suspended Services from Contractor to another contractor for a period of time that will be determined solely by County. Contractor's ability to obtain future funding may be impacted when Contractor does not remedy its non-compliance during its suspension and/or when Contractor is placed on multiple suspensions (as determined by County at County's sole discretion).

9.13.4 County's written notice of probation or suspension shall set forth the conditions of Contractor's non-compliance as well as the period in which Contractor must correct noted deficiencies. In response to the notice of probation or suspension, Contractor shall submit a written Corrective Action Plan to County's Compliance Manager within ten (10) days of the postmark date indicated on the notice from County. Contractor's Corrective Action Plan shall address all of the deficiencies noted by County.

9.13.5 County shall review Contractor's Corrective Action Plan, and will determine whether it meets the requirements for County's approval. County reserves the right to suspend/deduct payments for or to terminate all or any part of this Contract (and/or any of Contractor's other contracts with County) when Contractor submits a Corrective Action Plan that is not acceptable to County.

9.13.6 Contractor shall implement the Corrective Action Plan upon

receiving County's final written approval of the Corrective Action Plan. Contractor's failure to comply with an approved Corrective Action Plan will be cause for material breach of Contract upon which County may pursue the remedies for default of Contract.

## **9.14 TRANSITION OF CONTRACT SERVICES**

### **9.14.1 Completion of Contract**

9.14.1.1 Within sixty (60) calendar days prior to the expiration of this Contract (or shorter time period if notified in writing by County), Contractor shall allow County or a newly selected contractor a transition period for orientation purposes and the orderly transition of Contractor's current Services without additional costs to County. Contractor shall continue to provide Services timely and accurately so that the Services are current at the expiration of this Contract.

### **9.14.2 Transition Plan**

9.14.2.1 If this Contract (or any part thereof) is terminated pursuant to any of the termination provisions outlined herein or if it expires pursuant to Paragraph 4.0 (Term of Contract), Contractor shall provide a Transition Plan to County. Contractor shall submit said Transition Plan to County's Contract Manager within the timeframe designated by County in the notice of termination or Contractor shall submit it at least sixty (60) days prior to the expiration of this Contract as noted in Paragraph 4.0 (Term of Contract).

9.14.2.2 County shall review Contractor's Transition Plan and will determine whether it meets the requirements for County's approval. County reserves the right to suspend/deduct payments under this Contract and/or under any of Contractor's other contracts with County when Contractor submits a Transition Plan that is not acceptable to County. Contractor shall adhere to the Transition Plan which, at a minimum, shall include all of the elements outlined below.

### **9.14.3 Elements of the Transition Plan**

9.14.3.1 Description of how Clients will be notified about the change in their Service provider.

9.14.3.2 Contractor's method to communicate with other organizations that can assist in locating alternative Services.

9.14.3.3 Contractor's method to inform community referral sources of the pending termination of Services and what alternatives, if any, exist for future referrals.

9.14.3.4 Contractor's method to evaluate Clients in order to assure appropriate placement that will allow Clients

to receive Services.

9.14.3.5 Contractor's method to transfer any confidential medical and Client records to the new contractor in accordance with applicable provisions of the Health Insurance Portability and Accountability Act of 1996 or other Federal, State or local laws and regulations.

9.14.3.6 Contractor's method to dispose of confidential records in accordance with applicable laws and regulations, and the terms of this Contract.

9.14.3.7 Contractor's plan to assure for the provision of adequate staff to provide continued care through the remaining term of this Contract.

9.14.3.8 A full inventory and method to dispose, transfer, or return to County all equipment purchased with Contract Funds during the entire term of this Contract.

9.14.3.9 Any additional information which may be necessary to effect a safe transition of Clients to other community service providers.

**9.14.4 Implementation of the Transition Plan**

9.14.4.1 Contractor shall implement the Transition Plan that is approved by County. Contractor's failure to provide and/or implement the Transition Plan as prescribed herein shall mean that County will provide Contractor a Transition Plan and Contractor will implement the Transition Plan provided by County. County will monitor Contractor's progress in carrying out all elements of the Transition Plan.

**9.15 TRANSITIONAL JOB OPPORTUNITIES PREFERENCE PROGRAM**

9.15.1 This Contract is subject to the provisions of Los Angeles County's ordinance entitled Transitional Job Opportunities Preference Program, as codified in Los Angeles County Code Chapter 2.205.

9.15.2 Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a Transitional Job Opportunity vendor.

9.15.3 Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a Transitional Job Opportunity vendor.

9.15.4 If Contractor has obtained County certification as a Transitional Job Opportunity vendor by reason of having furnished incorrect

supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this Contract to which it would not otherwise have been entitled, Contractor shall:

9.15.4.1 Pay to County any difference between the Contract amount and what County's costs would have been if this Contract had been properly awarded;

9.15.4.2 In addition to the amount described in Sub-paragraph 9.15.4.1, be assessed a penalty in an amount of not more than ten percent (10%) of the amount of this Contract; and

9.15.4.3 Be subject to the provisions of Los Angeles County Code Chapter 2.202 (Determinations of Contractor Non-responsibility and Contractor Debarment).

9.15.5 The above penalties shall also apply to Contractor when it has previously obtained proper certification, however, as a result of a change in its status would no longer be eligible for certification, and fails to notify State, Los Angeles County's Internal Services Department and/or other certifying department, of this information prior to responding to a solicitation or accepting this Contract award.

## **9.16 TRAVEL EXPENSES**

9.16.1 Contractor shall obtain prior written approval from County's Contract Manager for any expenses under this Contract related to travel outside of Los Angeles County.

9.16.2 Contractor shall maintain written documentation evidencing that all out-of-town travel expenses are specifically related to providing Services under this Contract, in conformity with the document retention requirements specified in Paragraph 8.38 (Record Retention and Inspection/Audit Settlement), above.

9.16.3 Contractor shall ensure that no more than two (2) of its staff incur any out-of-town travel expenses at any time.

9.16.4 Contractor shall not invoice County if out-of-town travel expenses are incurred without proper documentation evidencing County's prior written approval.

9.16.5 Contractor's non-compliance with the requirements of this Sub-paragraph will result in these costs being disallowed, payments being withheld or other remedy being applied as County shall determine to be appropriate.

## **9.17 DRUG-FREE WORKPLACE**

9.17.1 Contractor and its subcontractors(s) shall adhere to the requirements outlined in the California Drug-Free Workplace Act of 1990, as amended (California Government Code Section 8350

et seq.). Contractor and its subcontractors(s) shall also adhere to the requirements outlined in the Federal Drug-Free Workplace Act of 1988, including its implementing regulations (41 USC 701 et seq.). Contractor and its subcontractor(s) shall provide and maintain a drug-free workplace for all of their employees, and shall have a documented anti-drug policy and a drug-free awareness program. Violation of or non-compliance with these requirements by Contractor, its subcontractor or both shall subject Contractor to remedies available under the terms of this Contract. Such remedies shall include suspending Contractor's payments, placing Contractor on probation or suspension, terminating this Contract or other available remedies which shall be determined by County at its sole discretion.

9.17.2 Contractor shall provide a written drug-free workplace policy statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and stating the specific actions that will be taken for violations.

9.17.3 The ongoing drug-free awareness program must inform employees about the following: the dangers of drug abuse; available drug counseling, rehabilitation, and employee assistance programs; penalties that may be imposed; and, that employees are to be aware that Contractor and its subcontractor(s) operate a drug-free workplace.

9.17.4 Contractor shall require its employees to report in writing any conviction for a violation of a criminal drug statute occurring in the workplace. Contractor shall provide written notice to County's Contract Manager within ten (10) days of having received such notice from employee(s). Within thirty (30) days of receiving the notice of a conviction, Contractor must have taken appropriate action against the employee(s) or have required employee's participation in a drug abuse assistance or rehabilitation program.

## **9.18 DATA DESTRUCTION**

9.18.1 When Contractor and its subcontractor(s) have maintained, processed, or stored County data and/or information, implied or expressed, Contractor and its subcontractor(s) shall have the sole responsibility to certify that the data and information have been appropriately destroyed consistent with the current National Institute of Standards and Technology Special Publication SP 800-88 titled, *Guidelines for Media Sanitization*, which is available on-line at: <http://csrc.nist.gov/publications/PubsDrafts.html#SP-800-88-Rev.%201>. County shall have sole authority to determine when Contractor and any subcontractors shall destroy any such data and/or information as described herein, and Contractor and any subcontractors shall only proceed upon written authorization from County.

9.18.2 The data and/or information may be stored on purchased, leased, or rented electronic storage equipment (e.g., printers, hard drives) and electronic devices (e.g., servers, workstations) that are geographically located within Los Angeles County, or

external to Los Angeles County's boundaries. County must receive within ten (10) business days, a signed document from Contractor which certifies and validates that the data and information were placed in one (1) or more of the following stored states: unusable, unreadable, and/or indecipherable.

- 9.18.3 Subcontractor(s) shall certify that any County data stored on purchased, leased, or rented electronic storage equipment and electronic devices, including, but not limited to printers, hard drives, servers, and/or workstations are destroyed consistent with the current National Institute of Standards and Technology Special Publication SP 800-88 titled, *Guidelines for Media Sanitization*. Subcontractor shall provide County's Contract Manager with written certification, within ten (10) business days of removal of any electronic storage equipment and devices, that validates that any and all County data was destroyed and is unusable, unreadable, and/or undecipherable.

## **9.19 REMEDIES FOR NON-COMPLIANCE**

- 9.19.1 Contractor agrees to comply with the requirements set forth in the entirety of this Contract as well as the requirements contained in supporting Program legislation and all applicable directives, notices, guidelines and instructions issued by or on behalf of Federal, State or County authorities. Contractor's failure to comply with such requirements shall subject Contractor to remedies which are available under this Contract and as provided by law. These remedies include but are not limited to the following: probation; suspension of payment(s); suspension of Services; assessment and collection of liquidated damages; de-obligation of Contract Funds (for purposes of this Contract, de-obligation is the partial or full removal of Contract Funds from Contractor); re-obligation of Contract Funds (for purposes of this Contract, re-obligation is the allocation of de-obligated Contract Funds to another current contractor(s) and/or to a new contractor); debarment; and/or termination of this Contract. County shall have the sole discretion to determine which remedy(ies) will be applied as a result of Contractor's non-compliance.

## **9.20 DISABLED VETERAN BUSINESS ENTERPRISE PREFERENCE PROGRAM**

- 9.20.1 This Contract is subject to the provisions of Los Angeles County's ordinance entitled Disabled Veteran Business Enterprise Preference Program, as codified in Los Angeles County Code Chapter 2.211.
- 9.20.2 Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a Disabled Veteran Business Enterprise.
- 9.20.3 Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a Disabled Veteran Business Enterprise.

- 9.20.4 If Contractor has obtained County certification as a Disabled Veteran Business Enterprise by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this Contract to which it would not otherwise have been entitled, Contractor shall:
- 9.20.4.1 Pay to County any difference between the Contract amount and what County's costs would have been if this Contract had been properly awarded;
- 9.20.4.2 In addition to the amount described in Sub-paragraph 9.20.4.1, be assessed a penalty in an amount of not more than ten percent (10%) of the amount of this Contract; and
- 9.20.4.3 Be subject to the provisions of Los Angeles County Code Chapter 2.202 (Determinations of Contractor Non-responsibility and Contractor Debarment).
- 9.20.5 The above penalties shall also apply to Contractor when it has previously obtained proper certification, however, as a result of a change in its status would no longer be eligible for certification, and fails to notify State, Los Angeles County's Internal Services Department and/or other certifying department, of this information prior to responding to a solicitation or accepting this Contract award.

**9.21 INTENTIONALLY OMITTED**

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IN WITNESS WHEREOF, Contractor has executed this Contract or caused it to be duly executed, and the County of Los Angeles, by order of its Board of Supervisors, has caused this Contract to be executed on its behalf by the Director of Community and Senior Services, on the day and year first above written. The person(s) signing on behalf of Contractor warrant under penalty of perjury that he or she is authorized to bind Contractor. Contractor and County acknowledge that this Contract shall not be deemed to be active until such time that the document is executed by the respective authorized representatives of both Contractor and County.

**COUNTY OF LOS ANGELES**

By \_\_\_\_\_  
Cynthia D. Banks, Director  
County of Los Angeles  
Community and Senior Services  
\_\_\_\_\_ Date

**CONTRACTOR**

\_\_\_\_\_  
Contractor's Legal Name

\_\_\_\_\_  
Contract Number

By \_\_\_\_\_  
Name of Authorized  
Representative  
\_\_\_\_\_ Date

Approved as to Form:

**OFFICE OF COUNTY COUNSEL**

John F. Krattli, County Counsel

\_\_\_\_\_  
Title

\_\_\_\_\_  
Signature

BY \_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Signature

By \_\_\_\_\_  
Name of Authorized  
Representative  
\_\_\_\_\_ Date

\_\_\_\_\_  
Title

\_\_\_\_\_  
Signature



**COUNTY OF LOS ANGELES  
COMMUNITY AND SENIOR SERVICES**

**EXHIBIT A  
STATEMENT OF WORK  
HEALTH INSURANCE COUNSELING AND ADVOCACY  
PROGRAM  
FY 2014 – 2018**

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## **1.0 BACKGROUND INFORMATION**

- 1.1 The Health Insurance Counseling and Advocacy Program (HICAP or Program) was established by the Older Americans Act (OAA), and the Mello-Granlund Older Californians Act (OCA), through Section 9541 of the California Welfare and Institutions Code (WIC), and is California's name for its State Health Insurance and Assistance Program (SHIP), for the primary purposes of providing personalized counseling, community education and outreach events for Clients (as defined in Appendix A, Sample Contract, Exhibit J, Definitions). HICAP is part of a network of State Health Insurance and Assistance Programs (SHIP). SHIP is a Federal grant program created under Section 4360 of the Omnibus Budget Reconciliation Act (OBRA) of 1990 (Public Law 101-508) that helps States enhance and support a network of local programs, Staff, and volunteers that directly help Medicare Beneficiaries, their representative, or persons aged 60 and older who are close to obtaining Medicare eligibility, to understand how to use their Medicare benefits including Prescription Drug Plan coverage, Medicare Advantage plans, Medicare supplemental policies, Medicare Savings Programs, and long-term care insurance. HICAP also provides enhanced Medicare related Services for Clients under the Medicare Improvements for Patients and Providers Act (MIPPA) of 2008. The Centers for Medicare and Medicaid (CMS) administers the SHIP grant programs nationally.
- 1.2 HICAP is a volunteer supported program that provides community education and counseling assistance with Medicare and related health insurance issues. It also includes informal advocacy, legal services, enhanced outreach, and enrollment assistance. The primary activities of the HICAP are: 1) the provision of accurate and objective counseling, advocacy and assistance with Medicare, health insurance, managed care, long-term care, and related health coverage plans for Medicare beneficiaries, their representative, or persons aged 60 and older who are close to obtaining Medicare eligibility, 2) to educate the public about Medicare and health coverage issues, and 3) the provision of enhanced outreach and reenrollment assistance for MIPPA Services.
- 1.3 MIPPA Services are designed to assist in expanding Medicare beneficiary enrollment in the Prescription Drug Benefit Low Income Subsidy (LIS) Program, the Medicare Savings Program (MSP), as well as assist in general rural outreach and enrollment efforts for Medicare Part D. The LIS Program offers financial assistance for prescription drugs to Medicare beneficiaries who have limited income and resources, by providing help

with their monthly premium payments, yearly deductible, prescription coinsurance, and copayments. MSP provides access to prescription drug coverage from private prescription drug plans for elderly and disabled Medicare beneficiaries.

- 1.4 The California Department of Aging (CDA) has designated Los Angeles County Community and Senior Services (County) as Planning Service Area 19 (PSA 19) for Los Angeles County through its Area Agency on Aging (AAA) program division. County received funding from the CDA to operate the HICAP in Los Angeles County.
- 1.5 The Statement of Work outlines the services (hereafter “Services”) required to operate the HICAP and provide HICAP Services to eligible Clients as mandated by the following:
  - 1.5.1 Older Americans Act of 1965, as amended, (OAA) Title 42 United States Code (USC), Chapter 35, Programs for Older Americans, Sections 3001-3058
  - 1.5.2 Code of Federal Regulations (CFR), Title 45, Chapter 13, Part 1321, Grants for State and Community Programs on Aging, Section 1321.1 – 1321.83
  - 1.5.3 Omnibus Budget Reconciliation Act (OBRA) of 1990, (Public Law 101-508, Section 4360)
  - 1.5.4 Medicare Improvements for Patients and Providers Act (MIPPA) of 2008, (Public Law 110-275, Section 119)
  - 1.5.5 California Welfare and Institutions Code (WIC) Division 8.5 Mello-Granlund Older Californians Act (OCA)
  - 1.5.6 Social Security Act Section 1115A Section 3021 of the Patient Protection and Affordable Care Act (PPACA) (P.L. 111-148)
  - 1.5.7 Coordinated Care Initiative (CCI), SB 1008 (Chapter 33, Statutes of 2012), SB 1036 (Chapter 45, Statutes of 2012) and California Welfare and Institutions (W&I) Code §14182.17
  - 1.5.8 HICAP Memoranda, Directives, and Guidelines issued by the CDA, Administration on Aging (AoA) and the Centers for Medicare and Medicaid (CMS).
  - 1.5.9 HICAP Memoranda, Directives, and Guidelines issued by County.
- 1.6 Services shall include, but not be limited to, the following tasks, which provide community education and counseling assistance for Medicare and related health insurance issues:

- 1.6.1 Community Education
- 1.6.2 Counseling and Informal Advocacy
- 1.6.3 Legal Services
- 1.6.4 HICAP Counselor Recruitment, Training, and Registration
- 1.6.5 Telephone Access
- 1.6.6 Referral to the California Department of Insurance and/or California Department of Managed Care
- 1.6.7 Educational Services supporting long-term care educational activities aimed at the general public, employers, employee groups, senior organizations, and other groups expressing interest in long-term care planning issues.
- 1.6.8 Completion of enrollment applications for LIS and MSP
- 1.6.9 Enhanced outreach, education and counseling to individuals eligible for public health insurance programs, Medicare and Medi-Cal (Dual Eligible Beneficiaries).

## **2.0 ELIGIBILITY CRITERIA**

- 2.1 Client eligibility is determined in accordance with the HICAP Program Manual of the CDA, the MIPPA Act of 2008, the Centers for Medicare and Medicaid (CMS), Cal MediConnect, and all regulations promulgated by the CDA and County. The criteria are based on the current requirements and guidelines referenced in the HICAP Program Manual of the CDS, the MIPPA Act of 2008, California and federal law, Los Angeles County policies, and any modifications thereto.
- 2.2 A person is eligible to be a Client, and receive HICAP Services if he/she meets one of the eligible Client criteria listed below:
  - 2.2.1 Medicare Beneficiaries, including a Medicare Beneficiary's representative; Medicare Beneficiaries who have limited income and resources (for the provision of MIPPA Services). A Medicare Beneficiary is a disabled person or person over the age of 65 enrolled in Medicare, under the rules of the Health Care Financing Administration;
  - 2.2.11 Persons who are both Medicare and Medi-Cal Beneficiaries are eligible to receive Services based upon status as a Medicare Beneficiary; and

- 2.2.2 Those persons imminent of Medicare eligibility who are at least 60 years of age;
- 2.2.3 Individuals eligible for both public health insurance programs, Medicare and Medi-Cal (Dual Eligible Beneficiaries);
- 2.2.4 Eligible Service Population are dual eligible beneficiaries targeted for enrollment into a Cal MediConnect Health Plan; and
- 2.2.5 Community Education Services, Long Term Care Services, and Outreach Services are for all interested individuals regardless of age, or Medicare eligibility;

### **3.0 SPECIFIC TASKS AND REQUIREMENTS**

#### **3.1 GUIDELINES AND GENERAL REQUIREMENTS**

- 3.1.1 The following guidelines establish the tasks (as defined in Appendix A, Sample Contract, Exhibit J, Definitions) and standards for the provision of HICAP Services that are required by the HICAP. Contractor shall fulfill the tasks outlines below and payment to Contractor shall be based upon meeting these requirements.
- 3.1.2 Contractor must collaborate with other Los Angeles County Area Agency on Aging (AAA) funded Contractors and community organizations in order to ensure comprehensive and coordinated service delivery and to prevent duplication of HICAP Services.

#### **3.2 HICAP SERVICES**

##### **3.2.1 Community Education**

- 3.2.1.1 Contractor shall provide Community Education to the general public. For the purposes of HICAP, Community Education is defined as activities, events, and presentations that educate the public on the identified subject areas. This shall include:
  - 3.2.1.1.1 The provision of information on Medicare; long-term care planning; private health and long-term care insurance, managed care, and related health care plans to Clients.
  - 3.2.1.1.2 The development and distribution of educational literature to the general public as a component of Community Education.

- 3.2.1.1.3 Educational literature may include information that has been developed by other entities, including, but is not limited to the CDA, the Centers for Medicare and Medicaid Services (CMS), and the California Health Advocates (CHA).

### 3.2.2 Long-Term Care Education

- 3.2.2.1 Contractor shall provide education on options and Services related to Long-Term Care. This includes the following requirements:

- 3.2.2.1.1 Contractor shall ensure that Long Term Care education services regarding available options/services related to Long-Term Care are provided to the general public, employers, employee groups, senior organizations and other groups expressing interest in long-term care planning.

- 3.2.2.1.2 Contractor shall emphasize the importance of long-term care planning, promotion of self-reliance and independence, and options for long-term care.

- 3.2.2.1.3 Contractor shall support community education activities that would provide for announcements on television and other media outlets describing the limited nature of Medicare, the need for long-term care planning, the function of long-term care insurance, and the availability of counseling and educational literature on those subjects.

### 3.2.2.2 Counseling and Informal Advocacy

- 3.2.2.2.1 Contractor shall provide Counseling and Informal Advocacy Services to Clients in the seven (7) Provider Program Categories identified in Appendix B, Statement of Work, Sub-paragraph 3.2.2.2.3 as well as long-term care planning, private health insurance, and related health care coverage plans.

- 3.2.2.2.2 As part of Counseling and Informal Advocacy Contractor shall perform an assessment of the



Clients' situation with respect to the seven (7) Client Needs Categories Appendix B, Statement of Work, Sub-paragraph 3.2.2.2.3, as they apply to and/or interact with each of the six (6) Provider Program Categories Appendix B, Statement of Work, Sub-paragraph 3.2.2.2.4, identified below as well as long-term care planning, private health insurance, and related health care coverage plans.

3.2.2.2.3 The Client Needs Categories are:

1. Eligibility/Coverage
2. Billing/Claims
3. Abuse/Fraud
4. Appeals
5. Comparisons
6. Denial of Services
7. Retroactive Dis/Re-Enrollment

3.2.2.2.4 The Provider Program Categories are:

1. Managed Care (for HMO's, PPO's, etc.);
2. LTCI (Long-Term Care Insurance);
3. Med-Sup (Medicare Supplemental Insurance);
4. Medicare;
5. AMB/SLMB (Qualified Medicare Beneficiary or Special Low-Income Medicare Beneficiary Programs); and
6. MediCal (Medicaid)

3.2.2.2.5 Prior to providing and Counseling Services, Contractor shall disclose, in writing, to recipients of Counseling Services, that the HICAP Counselors are volunteers and are acting in good faith to provide information about health insurance policies and benefits, but that the information shall not be construed to be legal advice, and the Counselors are, generally, not liable unless their acts and omissions are grossly negligent or there is intentional misconduct on the part of the Counselor.

3.2.2.3 Legal Services

- 3.2.2.3.1 Contractor shall provide Legal Services including legal referral services or legal representation limited to Medicare, Medicare appeals, Medicare Part D issues, Medicare savings programs, low-income subsidy issues, Long-Term Care insurance, Medicare related managed care appeals, related health care coverage plans, and life and disability insurance problems. These Services are provided under this Program subject to the understanding that the legal representation and legal advocacy shall not include the filing of lawsuits against private insurers or managed health care plans.
- 3.2.2.3.2 Contractor shall establish and maintain a formal system of coordination and referral from Counseling Services to Legal Services for any Clients referred for legal representation.
- 3.2.2.3.3 Contractor shall provide Legal Services to Clients through two methods: Direct legal representation and/or referrals for legal representation.
- 3.2.2.3.4 Direct legal representation by a Staff Attorney may be provided by or under the direction of a Supervising Attorney. Under the Program, the legal representation may include, but is not be limited to:
- Preparing work related to Medicare appeals, with the Client's formal consent;
  - Representing Clients at Medicare Administrative hearings;
  - Assisting or representing Clients in court proceedings on health insurance or Medicare issues (provided it is not a lawsuit against private insurers or Managed Health Care Plan);
  - Resolving insurance billing and claim disputes for Clients;
  - Conducting legal research for Clients in any of the areas included in this Paragraph;
  - Resolving disputes with HMO's or similar organizations on behalf of Clients;
  - Assisting in impact litigation that affects a class of Medicare beneficiaries; and

Resolving billing collection problems as they relate to health insurance and health providers.

3.2.2.3.5 Referrals for legal representation are to be provided to Client upon request from Client.

3.2.2.4 Contractor shall not use funds received under this Contract to provide legal assistance in a fee generating case (as defined in 45 CFR 1321.71) unless other adequate representation is unavailable (as defined in 45 CFR 1321.71) or there is an emergency requiring immediate legal action. Contractor shall establish procedures for the referral of fee generating cases.

### 3.2.3 HICAP Counselor Recruitment, Training, and Registration

3.2.3.1 Contractor shall conduct HICAP Counselor recruitment and training, as well as refer eligible volunteers to the CDA for registration. This process includes, but is not limited to the following:

3.2.3.1.1 Contractor shall prepare and maintain written documentation of the Contractor's plan for recruitment, training, coordination, and registration (with the CDA), of all HICAP Counselors, including a large contingent of volunteer counselors designed to expand Services as broadly as possible, in the service areas.

3.2.3.1.2 Contractor shall conduct a formal volunteer recognition activity, on an annual basis at minimum.

3.2.3.1.3 Expenses for volunteer recognition activity may not exceed \$50 per volunteer, per year.

3.2.3.1.4 Volunteer recognition expenses include, but are not limited to: a complimentary meal at an annual recognition event, a certificate, plaque, pin, or other form of "award" given to a HICAP Counselor after a minimum one year of service.

3.2.3.1.5 All expenses incurred for volunteer recognition should be directed to the individual volunteer, not to a spouse, family member, or friend.

3.2.3.1.6 Volunteer recognition funds must not be used to purchase gifts. This prohibition does not affect the purchase of awards. Gifts are

considered unallowable costs (“giveaways”), whereas awards are given in consideration of merit.

#### 3.2.4 Telephone Access

3.2.4.1 Contractor shall be accessible to Clients by telephone.

3.2.4.2 Contractor shall have a dedicated toll-free County-wide hotline telephone number that is advertised and accessible to Clients during normal business hours, from 8:00a.m. To 5:00 p.m., Monday thru Friday.

3.2.4.3 Contractor shall have an answering service or answering machine (voice mail) providing the opportunity for Clients to leave their name, a message, and return telephone number 24 hours, 7 days per week in the event a Client cannot receive personal assistance immediately.

3.2.4.4 Contractor shall return all Client calls/messages within 48 hours, excluding weekends and holidays.

3.2.4.5 Contractor shall have the capacity to assist multilingual Clients to ensure access to Services (e.g., linkage to AT&T Language Line Service).

#### 3.2.5 Referral to the California Department of Insurance (CDI) and the California Department of Managed Health Care (DMHC)

3.5.1 Contractor shall establish a mechanism for referrals to the CDI and DMHC for the purpose of investigating suspected instances of misrepresentation in the advertising or sales or services provided by Medicare, managed health care plan, and life and disability insurers and agents. The mechanism shall be established according to the requirements outlines in the HICAP Program Manual.

3.2.6 Contractor shall use the HICAP funding to provide the tasks described in this Appendix B, Statement of Work, Paragraph 3.0 Specific Tasks and Requirements.

### 3.3 MIPPA SERVICES

#### 3.3.1 Outreach Services

3.3.1.1 Contractor shall provide Outreach Services (Outreach Services are Services designed to inform the general public about the availability and different types of MIPPA Services) to the general public on the LIS and MSP programs.

3.3.1.2 Contractor shall develop Outreach materials, and conduct enhanced Outreach activities for the general public;

3.3.1.3 Contractor shall collaborate with staff of the Social Security Administration district offices throughout Los Angeles County, to provide outreach efforts for the LIS Program and the MSP.

### 3.3.2 Education

3.3.2.1 Contractor shall provide Education Services to Los Angeles County Department of Public Social Services (DPSS) staff, and Contractor's Staff and Volunteers, including education on the LIS Program and MSP, as well as on enhanced LIS Program and MSP Outreach Services.

3.3.2.2 Contractor shall provide education to DPSS Eligibility Workers about the LIS Program and the coordination of the LIS Program with the Medi-Cal Program.

3.3.2.3 Contractor shall provide training to Contractor's Staff and volunteers to assist with LIS Program and MSP Outreach Services.

### 3.3.3 Enrollments

3.3.3.1 Contractor shall complete LIS and MSP enrollments for eligible Clients for the purpose of providing MIPPA Services.

### 3.3.4 In-Service Training

3.3.4.1 Contractor shall develop and implement an internal staff training policy, including the provision of an orientation to all new Staff (including volunteers).

3.3.4.2 Contractor shall develop a training curriculum each year utilizing resources of the AAA, as available, and calling upon experts within the aging network to develop and/or provide training.

3.3.4.3 Contractor's Project Director shall ensure that a minimum of one Contractor Staff person represent Contractor at each training session established/provided by County for the benefit of the Client. Further, Contractor shall make every effort to ensure that all suitable Contractor Staff attends each training session established by County. County, at its discretion, may establish, provide, and/or require Contractor Staff attend mandatory training.

### 3.3.5 Staff and Volunteer Training

3.3.5.1 Contractor shall provide on-going HICAP training and technical assistance to Contractor Staff and Volunteers.

3.3.5.2 Contractor shall ensure that all HICAP Staff and Volunteers are registered with the State, as HICAP Counselors, after

completing all appropriate required training program(s) (required to obtain initial registration) and completing the annual continuing education hours (required to retain State registration). Please refer to Appendix B, Statement of Work, Sub-paragraph 22.4, State Registration and Criminal Background Clearance.

- 3.3.5.3 Contractor shall use MIPPA funding to provide the tasks described in this Appendix B, Statement of Work, Sub-paragraph 3.3.

#### 3.4 SUPPLEMENTAL HICAP SERVICES

- 3.4.1 Contractor shall use the Cal MediConnect Fund allocation (*or designated funding source*) in accordance with policies and procedures established by CDA and/or CMS to support activities HICAP program which include but not limited the tasks described in this Statement of Work, Sub-paragraph 3.4.
- 3.4.2 Contractor shall provide Enhanced Outreach Services. Enhanced Outreach Services are outreach activities above and beyond routine activities planned in response to other funding (e.g., basic State Health Insurance Assistance Program (SHIP) Funds), tailored to the specific needs of dual eligible beneficiaries targeted for enrollment into a Cal MediConnect Health Plan.
- 3.4.3 Contractor shall provide Options Counseling Services. Option Counseling services include the provision of local counseling and informational resources that enable dual eligible beneficiaries to make informed decisions about options they have for receiving their Medicare and Medi-Cal benefits.
- 3.4.4 Contractor shall ensure that individuals in the Eligible Service Population have access to information and counseling to empower them to make informed decisions about their Medicare and Medi-Cal benefit options. This information and counseling shall be unbiased, timely, accurate, and consumer-friendly. It shall include, but not be limited to, how and when the project will be implemented, appeal rights, and how to participate in the program.
- 3.4.5 Contractor shall ensure the provision of enhanced outreach activities and materials to partners, beneficiary caregivers, providers, and other aging network programs (e.g., Information and Assistance, Aging and Disability Resource Centers (ADRC), county Medi-Cal offices, and not-for-profit agencies) regarding Cal MediConnect and the availability of HICAP options counseling for the Eligible Service Population and refer beneficiaries to other resources as needed.

- 3.4.6 Contractor shall ensure that the Eligible Service Population is provided with enhanced outreach activities, materials, and options counseling regarding Cal MediConnect and alternatives. Outreach materials and counseling activities should be health literate, culturally/linguistically appropriate, and specific to the needs of the Eligible Service Population regarding Cal MediConnect benefits and options.

#### **4.0 ADDITIONAL REQUIREMENTS**

- 4.1 In addition to the specific tasks necessary to provide HICAP Services to Clients, Contractor must also adhere to minimum requirements that are necessary to operate the HICAP. These requirements ensure that Contractor maintains the appropriate level of performance, staffing, reporting and compliance with Los Angeles County, State and Federal guidelines that govern the HICAP. Contractor is responsible for ensuring that its operations meet the requirements outlined in Appendix B, Statement of Work, Sub-paragraphs 4.2 through 4.7 in order to provide the optimal level of HICAP Services to Clients as prescribed by this Contract.
- 4.2 Contractor shall provide community education and outreach information on Medicare, private health insurance, long-term care planning and advocacy to the public on what resources may be available. Contractor shall also ensure the HICAP Services are available to all ethnic groups in each Supervisorial District in which the HICAP Services are being provided by Contractor.
- 4.2.2 Contractor shall ensure that information and assistance on HICAP Services are provided to Clients of all populations including homeless, veterans and Lesbian-Gay-Bisexual-Transgender (LGBT) individuals.
- 4.3 Contractor must protect the confidentiality and privacy of Client information collected for purposes of the HICAP, in accordance with all applicable federal and state laws, the HICAP Program Manual, as well as Appendix A, Sample Contract, Paragraph 7.5, Confidentiality and Appendix B, Statement of Work, Sub-paragraph 22.2 Confidentiality and Security of HICAP Data.
- 4.4 Contractor must maintain a cash reserve equal to the amount it would cost to operate its HICAP for one (1) month. Grant funds may not be included in cash reserves.
- 4.5 Contractor shall track all Contract funds. Contractor shall provide a tracking of all Contract funds during an audit as indicated in Appendix A, Sample Contract, Paragraph 8.38, Record Retention and Inspection/Audit Settlement.



- 4.6 Contractor shall have an established HICAP Counselor training program as required by the CDA, and consistent with the curriculum and requirements outlined in the HICAP Counselor Handbook and the HICAP Program Manual.
- 4.7 Contractor shall, to the greatest extent possible and consistent with Appendix A, Sample Contract, Paragraph 8.20, Force Majeure, and Appendix B, Statement of Work, Paragraph 13.0, Emergency and Disaster Preparedness, provide Services in the event of an emergency or natural disaster.

## **5.0 CONTRACTOR PERSONNEL**

### **5.1 MULTILINGUAL AND MULTICULTURAL CAPABILITIES OF CONTRACTOR STAFF**

- 5.1.1 Contractor must be committed and sensitive to the delivery of Services that are culturally and linguistically appropriate. To that end, Contractor must seek to hire qualified staff that is multilingual and/or multicultural in order to better reflect the communities served by Contractor. In addition, Contractor and its employees, including volunteers, are expected to develop cultural competency and cross-cultural clinical practice skills. Contractor must also develop effective linkages with various ethnic, health and social service agencies for the benefit of Clients to reflect the ethnic and cultural needs of the community being served.
- 5.1.2 Contractor shall provide Services in the principal language spoken by Clients in areas where a significant number of Clients do not speak English as their principal language (45 CFR 1321.71).
- 5.1.3 Contractor shall ensure that all staff and volunteers neither engage in the solicitation of insurance nor endorse the services of any insurer or managed care plan, claims processing organization, or other enterprise that could benefit from activities conducted by the HICAP. All project staff and volunteers shall provide HICAP educational services in a manner that is objective and impartial and shall provide counseling consistent with the best interests of the clients and which preserves the independent decision-making responsibilities of the client.
- 5.1.4 Contractor shall ensure that all staff and volunteers shall not have a conflict of interest such as, but not limited to, a business relationship with insurers, health plans, or organizations posing a conflict of interest. The Contractor shall assure that project staff and volunteers do not accept money or gifts from any client in exchange for services in accordance with Department guidance on conflict of interest and the HICAP Program Manual.



- 5.1.5 Contractor shall take all reasonable and necessary measures to ensure that advisors, employees, and volunteers associated with the operation of HICAP agree to act in a manner that prevents the appearance of impropriety or any other act which would place in jeopardy HICAP's reputation as an independent and impartial program. The Contractor shall ensure that advisors and governing board members shall recuse themselves from HICAP business if they are employed by, or receive compensation from, the health insurance or managed health care industries.

## 5.2 GENERAL REQUIREMENTS

- 5.2.1 Contractor shall have a sufficient number of qualified Staff with the appropriate education, licensure, certification, registration and experience to carry out the requirements of the HICAP. The total number of Staff shall be based on the method and level of HICAP Services provided, and the size of the service area served by Contractor.
- 5.2.2 Contractor shall operate continuously throughout the entire term of this Contract with at least the minimum number of Staff as set forth herein. Contractor shall adhere to any other staffing requirements that are determined by County to be necessary for Contractor to provide HICAP Services hereunder. Such Staff shall meet all qualifications in Appendix A, Sample Contract, as well as those provided by County through Contract Amendments, Administrative Directives and Program Policy Memorandums.
- 5.2.3 Contractor shall ensure that Contractor Staff is available to all Clients, potential Clients, referral sources, as well as County on a minimum five-day-a-week basis (Monday through Friday), at least between the hours of 8:00 a.m. to 5:00 p.m. Contractor shall also ensure that personal telephone contact with Contractor's Staff is available to Clients, potential Clients, referral sources and County during Contractor's hours of operation. Contractor shall further ensure that each Contractor office location has a telephone answering machine or voice mail system in place during non-business hours. Contractor's Staff shall respond to calls and messages as provided in Appendix B, Statement of Work, Sub-paragraph 3.2.4, Telephone Access.
- 5.2.4 Contractor shall always have a Staff member with the authority to act on behalf of Contractor available during work hours as outlined in Appendix B, Statement of Work, Paragraph 3.2.4, Telephone Access.
  - 5.2.4.1 Contractor shall have the capacity to assist multilingual Clients to ensure access to Services (e.g., linkage to AT&T Language Line Service).

5.2.5 Contractor shall notify County of any anticipated changes in the Project Director's position, including the name of the individual, work schedule, etc.

5.2.5.1 Such notice to County shall be given in accordance with Appendix A, Sample Contract, Paragraph 8.34, Notices.

5.2.6 Contractor shall maintain written job descriptions for the Project Director, Staff and Volunteer HICAP Counselors and any other positions on file. Job descriptions should include minimum qualifications, tasks and responsibilities. Contractor shall have a HICAP Program Manager and HICAP Counselors who are trained and registered by the State of California and maintain their registration status in accordance with requirements of law, regulation, and the HICAP Program Manual.

### 5.3 STAFF

5.3.1 Project Director (may also be the HICAP Program Manager)

5.3.1.1 Contractor shall have a full-time Project Director.

5.3.1.2 Responsibilities of the Project Director shall include, at a minimum, the following, as well as the requirements outlined in the CDA HICAP Program Manual, the HICAP Counselor Handbook, accessible through the CDA website: [www.aging.ca.gov](http://www.aging.ca.gov), and the MIPPA of 2008:

5.3.1.2.1 Prior to commencing duties as the Project Director, the Project Director must have completed Contractor's established HICAP Counselor training as provided by the Contractor's HICAP Program Manager, and further described in Appendix B, Statement of Work, Sub-paragraph 5.3.2, and required by the CDA (outlined in the HICAP Counselor Handbook and the HICAP Program Manual). If acting as the HICAP Program Manager, the Project Director must complete the CDA's New Manager Orientation and be a State registered HICAP Program Manager.

5.3.1.2.2 The Project Director must also attend additional training as required by MIPPA, the CDA HICAP Program Manual, the HICAP Counselor Handbook, the AAA or any other applicable laws or regulations and have an aptitude for resolving HICAP and MIPPA related issues;

5.3.1.2.3 The Project Director, if acting as the HICAP Program Manager, must provide HICAP

Counselor training and all trainings required by the CDA, to all HICAP Counselors.

5.3.1.3 Minimum Experience, Knowledge and Other Qualifications:

5.3.1.3.1 Experience: The individual must have a minimum of five (5) years' relevant professional experience and knowledge (obtained within the past ten (10) years) that includes any of the following:

5.3.1.3.1.1 Effective verbal and written communication skills, and effective analytical skills.

5.3.1.3.1.2 Experience in public speaking and fundraising.

5.3.1.3.1.3 Experience in management or leadership of community programs/organizations.

5.3.1.3.1.4 Knowledge and experience in the field of gerontology and aging programs.

5.3.1.3.1.5 Experience providing services to older individuals (individuals age 60 and older.)

5.3.1.3.1.6 Knowledge of the Health Care Financing Administration (HCFA) policies and procedures.

5.3.1.3.1.7 Experience in management and supervision of volunteer programs.

5.3.1.3.1.8 Knowledge of laws and regulations in the area of HICAP and MIPPA.

5.3.1.3.2 Other Qualifications

5.3.1.3.2.1 Individual shall have the ability to speak, read and write English fluently.

5.3.2 HICAP Program Manager

5.3.2.1 Contractor shall have a full-time, HICAP Program Manager.

5.3.2.2 Responsibilities of the HICAP Program Manager shall include, at a minimum, the following, as well as the

requirements outlined in the CDA HICAP Program Manual, the HICAP Counselor Handbook, accessible through the CDA website: [www.aging.ca.gov](http://www.aging.ca.gov), the the MIPPA of 2008:

- 5.3.2.2.1 Prior to commencing duties as the HICAP Program Manager, the HICAP Program Manager must have completed Contractor's established HICAP Counselor training as provided by the Contractor's HICAP Program Manager and further described in Appendix B, Statement of Work, Sub-paragraph 5.3.2 of the, and required by the CDA (outlined in the HICAP Counselor Handbook and the HICAP Program Manual). The HICAP Program Manager must also complete the CDA's New Manager Orientation and be a State registered HICAP Program Manager.
- 5.3.2.2.2 The HICAP Program Manager must also attend additional training as required by MIPPA, the CDA HICAP Program Manual, the HICAP Counselor Handbook, the AAA or any other applicable laws or regulations and an aptitude for resolving HICAP and MIPPA related issues.
- 5.3.2.2.3 The HICAP Project Manager must provide HICAP Counselor training, and all trainings required by the CDA, to all HICAP Counselors.
- 5.3.2.2.4 The HICAP Project Manager shall supervise Contractor's Program Staff (including Volunteers).
- 5.3.2.2.5 Minimum, Experience, Knowledge and Other Qualifications
- 5.3.2.2.6 Experience: The individual must have a minimum of five years' relevant professional experience and knowledge (obtained within the past ten years) that includes any of the following:
  - 5.3.2.2.6.1 Effective verbal and written communication skills and effective analytical skills.
  - 5.3.2.2.6.2 Experience in public speaking and fundraising;

- 5.3.2.2.6.3 Experience in management or leadership of community programs/organizations;
- 5.3.2.2.6.4 Knowledge and experience in the field of gerontology and aging programs;
- 5.3.2.2.6.5 Experience providing services to older individuals;
- 5.3.2.2.6.6 Knowledge of the Health Care Financing Administration (HCFA) policies and procedures;
- 5.3.2.2.6.7 Experience in management and supervision of volunteer programs; and
- 5.3.2.2.6.8 Knowledge of laws and regulations in the area of HICAP and MIPPA.

#### 5.3.2.2.7 Other Qualifications

- 5.3.2.2.7.1 Individual shall have the ability to speak, read and write English fluently.

### 5.3.3 Supervising Attorney

- 5.3.3.1 Contractor shall have a Supervising Attorney trained and experienced in Medicare law, as well as and licensed by, and in good standing with the California State Bar as an active member. Contractor and/or Supervising Attorney must carry legal malpractice insurance. In addition to the above requirements, the Supervising Attorney must demonstrate the following:

- 5.3.3.1.1 Currently meets or exceeds the State Bar of California's continuing legal education requirements;
- 5.3.3.1.2 Ability to communicate effectively with Clients, family members, service providers, and co-workers;
- 5.3.3.1.3 Ability to treat Clients, family members, service providers, and co-workers with respect and dignity;
- 5.3.3.1.4 Knowledge of the aging process;

- 5.3.3.1.5 Knowledge of community legal assistance and representation of eligible Clients;
- 5.3.3.1.6 Experience in supervision and the provision of Legal Services to eligible Clients; and
- 5.3.3.1.7 The capability of documenting the performance of Legal Services in accordance with the requirements outlined in the HICAP Performance Reporting Manual, including the completion and submission of a completed HICAP Legal Performance Report to the HICAP Program Manager.

#### 5.3.4 HICAP Counselor

5.3.4.1 Contractor shall have HICAP Counselors on staff. HICAP Counselors, who are under the supervision of the HICAP Program Manager (or qualified designee), must be trained and registered with the CDA in accordance with the applicable laws, regulations, as well as provisions of the HICAP Program Manual, the HICAP Counselor's Handbook, the AAA, and MIPPA. HICAP Counselors must also meet the following requirements:

- 5.3.4.1.1 Prior to commencing duties as the HICAP Counselor, the HICAP Counselor must have completed Contractor's established HICAP Counselor's training, as required by the CDA (outlined in the HICAP Counselor's Handbook and the HICAP Training Manual) which is approved by the CDA. Said training shall be a minimum of 24 classroom hours and shall include, but not be limited to, the following subjects: Medicare, life and disability insurance, managed care, retirement benefits and principles of Long-Term Care (LTC) planning, counseling skills and any other subject or subjects determined by the CDA and the AAA to be necessary to the provision of counseling services.
- 5.3.4.1.2 Complete an internship of not less than 0 hours with an experienced Contractor's HICAP Counselor and has been determined by HICAP Program Manager to be capable of discharging the responsibilities of a HICAP Counselor.
- 5.3.4.1.3 Demonstrate effective verbal and written communication and analytical skills.

- 5.3.4.1.4 HICAP Counselors must complete a minimum of 12 training hours per year, provided by Contractor's Program Manager, and provide 40 hours of counseling to the HICAP within each 24 month period in order to maintain their "registered" status with the State.
- 5.3.4.1.5 HICAP Counselors must attend any additional applicable training as required by the CDA and AAA.
- 5.3.4.1.6 Have an interest and commitment to provide services to older individuals;
- 5.3.4.1.7 Have the ability to make a commitment of time to serve as a HICAP Counselor to advocate on behalf of Clients;
- 5.3.4.1.8 Have the ability to clearly document details and information on forms and to summarize case scenarios;
- 5.3.4.1.9 Have the ability to be objective and unbiased; and
- 5.3.4.1.10 Demonstrate the ability to provide counseling and information that will assist Clients in making informed choices, and refrain from making recommendations to Clients.
- 5.3.4.1.11 Attend regular meetings conducted by Contractor and/or by County to provide current training and to disseminate information.

#### 5.3.5 Long-Term Care (LTC) Counselor

- 5.3.5.1 Contractor shall have Long-Term Care Counselors that have the approval from the CDA to analyze policies and provide information obtained from the policy analysis to their Clients. In addition, the LTC Counselor must meet the following requirements and qualifications:
  - 5.3.5.1.1 Must be a Contractor trained and CDA registered HICAP Counselor, and have provided HICAP Counseling Services for at least 12 months.
  - 5.3.5.1.2 The LTC Counselor must have completed the minimum LTC In-Service Training requirements outlined in the HICAP Counselor Handbook (accessible through the CDA website: [www.aging.ca.gov](http://www.aging.ca.gov)).

5.3.5.1.3 Demonstrate overall competence and willingness to take on the additional training requirements and responsibilities necessary to become an LTC Counselor.

5.3.5.1.4 The LTC Counselor must have successfully completed a minimum 12 hours of advanced LTC training established by the Contractor (and approved by the CDA), and pass a CDA approved final examination.

#### 5.3.6 HICAP Community Educator

5.3.6.1 Contractor shall have HICAP Community Educators that provide comprehensive Community Education Services. The HICAP Community Educator must be Contractor trained, and CDA registered. HICAP Counselors who meet the following requirements and qualifications:

5.3.6.1.1 The HICAP Community Educator must be Contractor trained and CDA registered HICAP Counselors, with a minimum 12 months' experience with the HICAP Program.

5.3.6.1.2 The HICAP Community Educator shall be capable of providing effective public presentations as demonstrated by any of the following: Formal specialized training in public speaking; Membership in speaking organizations such as Toastmasters; Prior work experience that included speaking to large groups; Performing mock presentations at in-service HICAP meetings or other meetings.

5.3.6.1.3 The individual shall have completed a 4 hour internship for Community Educators as outlined in the HICAP Counselor's Handbook. The internship must, at a minimum, include the following components: Attendance and observation of at least two (2) public presentations conducted by an experienced Community Educator; and provide at least 1 public presentation that is observed by an experienced Community Educator.

#### 5.3.7 Long-Term Care (LTC Community Educator)

5.3.7.1 Contractor shall have Long-Term Care (LTC) Community Educators qualified to provide comprehensive Community Education Services pertaining to long-term care and long-



term care insurance options. In addition, the LTC Community Educator must meet the following requirements and qualifications:

- 5.3.7.1.1 LTC Community Educators shall be CDA registered LTC Counselors, who have a minimum 12 months' experience with the Program.
- 5.3.7.1.2 LTC Community Educators must complete and pass the CDA approved long-term care status training. The training specifications include, but are not limited to, State of California sanctioned advanced training on the subjects of long-term care, long-term care insurance (analysis), California partnership Long-Term Care, and CalPERS Long-Term Care Plan.
- 5.3.7.1.3 LTC Community Educators must be capable of providing effective public presentations, as demonstrated by any of the following: Formal specialized training in public speaking, Membership in speaking organizations such as Toastmasters; Prior work experience that included speaking to large groups; Performing mock presentations at in-service HICAP meetings or other meetings.
- 5.3.7.1.4 The LTC Community Educator must have completed a four (4) hour internship for LTC Community Educators (as outlined in the HICAP Counselor's Handbook). The internship must, at a minimum, include the following components; Attendance and observation of at least two (2) public presentations conducted by an experienced Community Educator; and provide at least one (1) public presentation that is observed by an experienced Community Educator.

#### 5.3.8 Staff Attorney

- 5.3.8.1 Contractor shall have a Staff Attorney that will provide legal assistance and representation to eligible Clients. Clients are entitled to receive the same quality of Services as would be provided in private consultation. The Staff Attorney must be trained in Medicare law, and be licensed by and in good standing with the California State Bar as an active member. Contractor and/or Contractor's Staff Attorney must carry legal malpractice insurance. In

addition to the above requirements, the Staff Attorney must demonstrate the following:

- 5.3.8.1.1 Currently meets or exceeds the State Bar of California's continuing legal education requirements;
- 5.3.8.1.2 The ability to communicate effectively with Clients, family members, service providers, and co-workers;
- 5.3.8.1.3 Ability to treat Clients, family members, service providers, and co-workers with respect and dignity;
- 5.3.8.1.4 Knowledge of the aging process; and
- 5.3.8.1.5 Knowledge of community legal assistance and representation to eligible Clients.

#### 5.3.9 Other Program Staff

5.3.9.1 Responsibilities: Program Staff shall adhere to the policies and provisions of Los Angeles County, State and Federal HICAP requirements.

#### 5.3.9.2 Qualifications:

- 5.3.9.2.1 Contractor shall retain Staff who is qualified and sufficient in number to deliver Services adequately. This shall include both paid Staff and Volunteers that Project Director deems necessary to conduct HICAP operations.
- 5.3.9.2.2 Program Staff shall be capable of establishing effective communication with Clients and their family.

5.3.10 All HICAP Staff shall adhere to Appendix B, Statement of Work, Paragraph 22.4, State Registration and Criminal Background Clearance.

5.3.11 Contractor shall not allow its HICAP Staff and Volunteers to perform the activities and responsibilities of the HICAP unless and until such Staff and Volunteers have received training and certification pursuant to Appendix B, Statement of Work, Paragraph 22.4, State Registration and Criminal Background Clearance.

5.3.12 Unless approved in advance, no employee under this Contract, shall be paid wages or salary by Contractor either: (1) in excess of \$30.00 per hour, or (2) more than \$300.00 for any 24-hour period, out of funds payable to Contractor hereunder. Contractor may pay more than \$30.00 per hour without Department approval, but shall not use contract funds for the excess compensation.

## **6.0 FISCAL**

### **6.1 CONTRACTOR INDIRECT COSTS**

6.1.1 The maximum amount payable under this contract for Indirect Costs, as defined below, is 8% of Contractor's Maximum Annual Contract Sum. Indirect Costs exceeding the 8% maximum shall not be charged to this Contract.

6.1.2 Indirect Costs: Costs that have been incurred for common or joint purposes and cannot be readily identified with a particular final cost objective.

6.1.2.1 Examples of Indirect Costs include, but are not limited to: salaries; employee benefits; supplies and other costs related to general administration of the organization and salaries and expenses of executive officers, personnel administration and accounting.

6.1.3 If Contractor requests payment of Indirect Costs, Contractor shall retain on file an approved Indirect Cost Rate of a Cost Allocation Plan as defined in Sub-paragraph 6.2 below, documenting the methodology used to determine Indirect Costs. Such records shall be maintained in accordance with record retention policies outlined in Appendix A, Sample Contract, Paragraph 8.38, Record Retention and Inspection/Audit Settlement.

### **6.2 COST ALLOCATION PLAN FOR COST REIMBURSEMENT ACTIVITIES**

6.2.1 Contractor shall submit an annual organization-wide Cost Allocation Plan pursuant to the requirements outlined herein. The Cost Allocation Plan, shall be prepared in accordance with County instructions and applicable OMB circulars, as well as any other applicable federal, State or County laws or regulations, and, at minimum, shall include the following:

6.2.1.1 Contractor general accounting policies, including:

6.2.1.1.1 Basis of accounting

6.2.1.1.2 Fiscal year

6.2.1.1.3 Method for allocating Indirect Costs (e.g., simplified, direct, multiple, negotiated rate, etc.)

6.2.1.2 Contractor's Authorized Representative (as defined in Appendix A, Sample Contract, Exhibit J, Definitions) shall sign the Cost Allocation Plan, certifying the accuracy of the Plan.

6.2.1.3 Indirect Cost rate allocation base

- 6.2.1.3.1 Contractor's Direct and Indirect Costs (by category) and describing the cost allocation methodology for each category.
- 6.2.1.3.2 Contractor's Cost Allocation Plan shall support the distribution of any joint costs with other funding sources related to the tasks and activities of this Contract. All Costs included in the Cost Allocation Plan will be supported by formal accounting records, which will substantiate the propriety of eventual charges. Contractor acknowledges that the budget allocations are not adequate documentation.
- 6.2.1.4 Contractor shall submit a Cost Allocation Plan to County's Contract Manager, identified by Fiscal Year, as follows:
  - 6.2.1.4.1 Contractor shall submit the Cost Allocation Plan within sixty (60) days of execution of this Contract. County has developed a sample Cost Allocation Plan; Contractor may request a copy thereof upon providing a written request to County's Contract Manager.
  - 6.2.1.4.2 Annually, Contractor shall also submit a new Cost Allocation Plan to County's Contract Manager for review and approval within sixty (60) days of the start of the Fiscal Year.
- 6.2.1.5 The Cost Allocation Plan shall be subject to review and approval by County.
- 6.2.1.6 County will test Contractor's Cost Allocation Plan during the normal course of monitoring to ensure Contractor's compliance with this Contract and OMB Circular requirements (OMB Circular A-87). Contractor's failure to comply may result in suspension of payment(s), suspension of the Contract, terminations of the Contract, or other remedies as determined by County under this Contract or at law.
- 6.2.1.7 Pursuant to record retention policies outlined in Appendix A, Sample Contract, Paragraph 8.38, Record Retention and Inspection/Audit Settlement, Contractor will retain on file all documentation supporting the methodology utilized to determine the reasonableness of the costs associated with all Work under this Contract.

### 6.3 CLOSEOUT REPORTS

- 6.3.1 Within 30 days of the end of each Fiscal Year, Contractor shall prepare and submit a Closeout Report in the form and manner

designated by County. The Closeout Report shall include the reporting of expenses and accruals through the last day of the Fiscal Year.

- 6.3.2 If this Contract is terminated or cancelled prior to June 30<sup>th</sup> of any Fiscal Year, the Closeout Report shall be for that Contract period which ends on the termination or cancellation date. Contractor shall submit the Closeout Report after the termination/cancellation date in the manner and timeframe designated by County.

#### 6.4 PROGRAM INCOME STATEMENT REPORT

- 6.4.1 Program Income (see Appendix A, Sample Contract, Exhibit J, Definitions) includes, but is not limited to:

- 6.4.1.1 Voluntary contributions received from Client or responsible party as a result of receiving Services;
- 6.4.1.2 Income from usage or rental fees of real or personal property acquired with Contract Funds;
- 6.4.1.3 Royalties received on patents and copyrights from Work activities under this Contract; proceeds from the sale of items fabricated under terms of this Contract; and
- 6.4.1.4 Fees earned from the provision of Services performed under this Contract.

- 6.4.2 Contractor shall adhere to the Program Income requirements outlined in the applicable OMB Circulars and CFR that pertain to Contractor's organization (i.e., OMB Circular A-102, OMB Circular A-110 (2 CFR Part 215), 29 CFR Part 95, or 29 CFR Part 97).

- 6.4.2.1 The use of Program Income required prior written approval from County's Contract Manager
- 6.4.2.2 Contractor shall prepare an annual Program Income Statement Report (Report) on Contract revenues versus expenditures, to identify the amount of Program Income. The Report shall be amended by Contractor if adjustments are required due to any new information received after the filing of the Report.
- 6.4.2.3 The Report shall be submitted along with the Caseload Report in the form, manner and timeline as designated by County.

#### 6.5 PLAN FOR DISPOSITION OF PROGRAM INCOME

- 6.5.1 If Contractor's Program Income Statement Report identifies Program Income, Contractor shall prepare and submit a Plan for Disposition of Program Income (Plan). The Plan shall be completed and submitted in the form and manner as designated by

County within thirty (30) days after the Program Income Statement Report, as specified in Sub-paragraph 6.5 is due.

6.5.1.1 The Plan shall be reviewed by County for final approval. The Plan shall be amended by Contractor as soon as possible if the Program Income Statement Report is amended.

6.5.1.2 Program Income shall be spend on line items identified by Contractor in the Plan (upon County's approval of the Plan).

6.5.2 Final Report in Disposition of Program Income

6.5.2.1 Within thirty (30) days after the scheduled completion date of an approved Plan for Disposition of Program Income, Contractor must submit a Final Report on Disposition of Program Income (Final Report) to County in the form and manner designated by County.

6.5.2.2 If the Final Report is not submitted on the scheduled date, County, in its sole discretion, shall extend the completion date, renegotiate the Plan for Disposition of Program Income, recapture the balance of the unexpended Program Income, or pursue any other remedies available to County under this Contract.

6.5.3 Cash Reserve

6.5.3.1 Contractor must maintain a Cash Reserve equal to the amount it would cost to operate the Program for one (1) month. Grand funds may not be included in the Cash Reserve.

6.5.4 Method of Compensation Adjustment

6.5.4.1 County, at its sole discretion, has the option of altering the method of payment from full reimbursement for Units of Service completed to an amount equal to one-twelfth (1/12) of the Maximum annual Contract Sum amount per month, if Contractor is providing Services to more Clients than anticipated at the time Services are first provided under the provisions of this Contract and it appears Contract Funds will be completely depleted prior to the full term of this Contract.

6.5.4.2 County will provide Contractor with at least two (2) weeks advance written notice of its decision to alter the method of payment.

6.5.4.3 In no event shall County's decision to alter or not alter the method of payment affect the Term, Maximum Annual Contract Sum, Work, or any other provision under the

Contract unless pursuant to a validly executed Amendment to the Contract noting any such change(s).

## **7.0 PROGRAM PERFORMANCE/REALLOCATION OF CONTRACT FUNDS**

- 7.1 Contractor is required to provide 100% of Services and expend 100% of the Maximum Annual Contract Sum contracted for and as stated in this Exhibit A; Exhibit B, Budget; and Exhibit C, Mandated Program Services (MPS).
- 7.2 A new or updated Appendix A, Sample Contract, Exhibit B, Budget, and Appendix A, Sample Contract, Exhibit C, MPS shall be completed by Contractor and provided to County prior to the beginning of each fiscal year.
- 7.3 Contractor's Program performance and Contract Funds of said Program will be evaluated during each Fiscal Year. Services and Contract Funds (see Appendix A, Sample Contract, Exhibit J - Definitions) may be reallocated if Contractor fails to either provide 95% of Services and/or expend 95% of the Maximum Annual Contract Sum allocated under this Contract, as provided in Appendix A, Sample Contract, Exhibit B - Budget and/or Appendix A, Sample Contract, Exhibit C - MPS.
- 7.4 Contractor's Services and Contract Funds may be reduced and reallocated to other AAA Contractors that are performing and/or expending at a higher level/rate and qualify for increases in its Services and Maximum Annual Contract Sum. Additionally, the County, at its discretion, may reduce Contractor's Services and Maximum Annual Contract Sum paid thereon in the following Fiscal Year to more accurately reflect Contractor's level of performance/expenditure.

## **8.0 REPORTS, DOCUMENTATION AND DIRECT DATA ENTRY**

- 8.1 The California State Department of Aging requires Contractor to establish record procedures that ensure the accuracy and authenticity of the number of eligible Client Services provided each day. Contractor shall ensure that the actual date of Service(s) is/are rendered, tracked, documented, and reported.
- 8.2 MIS Data Entry: (see Sub-paragraph 11.1 below) Contractor shall complete direct data entry into the MIS billing system within ten (10) days of Service delivery. Back-dating of data is not permitted.
- 8.3 All information, records, data elements and print-outs collected and maintained for the operation of the HICAP and pertaining to Clients (including paper and electronic data) must be protected from unauthorized disclosures in accordance with Appendix A, Sample Contract, Paragraph 7.5, Confidentiality, Appendix B, Statement of Work, Sub-paragraph 22.3, Confidentiality and Security of HICAP Data, California Welfare and Institutions Code Section 10850, Title 45 of the Code of Federal



Regulations (CFR), Section 205.50, and the California Information Practices Act of 1977.

- 8.4 Contractor shall submit HICAP data, which includes expenditure and revenue information, on a monthly, quarterly and annual basis as directed by County.
- 8.5 Contractor shall obtain and maintain access to the PeerPlace Networks, LLC automated Statewide HICAP Automated Reporting Program (SHARP) case management, data collection, and data reporting system.
- 8.6 Contractor shall submit and receive confidential Client data on a quarterly and annual basis (or as designated by State/County) utilizing the SHARP system.
- 8.7 Contractor shall maintain a documented record of HICAP and MIPPA Services performed. Said record is to be provided to County staff on a quarterly and annual basis, and as required by County and/or the CDA and CMS.
- 8.8 Contractor shall prepare and submit to County (as directed by County) a documented record of outcome data, which includes all Services performed under the HICAP.
- 8.9 Contractor shall prepare and submit to County, quarterly data element reports, mid-term progress reports, year-end reports, and final report of the Services provided under the HICAP, as directed by County and/or the CDA and CMS.
- 8.10 Contractor shall provide a detailed work plan to AAA. The work plan shall outline performance goals, measurable outcomes, major objectives, key tasks, and time frames (start and end dates) in accordance with AAA and CDA requirements.
- 8.11 Contractor shall be responsible for the timely, complete, accurate and verifiable collection and reporting of Services data, covering all Services delivered.

## **9.0 CUSTOMER SATISFACTION SURVEYS**

- 9.1 Contractor shall conduct ongoing customer satisfaction surveys with Clients and keep a copy of the surveys on file and accessible to County for review. The results of the surveys will be used by Contractor to make quality improvements in Client Services provided to all Clients. Contractor may be asked by County to comply with and develop other outcome measures.
- 9.2 The customer satisfaction survey shall be disseminated to all HICAP Clients each Fiscal Year, and tallied by Contractor during the closeout period.



## **10.0 QUALITY CONTROL PLAN**

- 10.1 Contractor shall establish and utilize a comprehensive Quality Control Plan (QCP) to assure County a consistently high level of Service throughout the term of the Contract. The QCP shall be retained on file at Contractor's main administrative office, and shall be provided to County immediately upon request. The QCP shall include, but not be limited to, the following:
  - 10.1.1 The method of monitoring Contractor is using to ensure that this Contract's requirements are being met.
  - 10.1.2 A record of all inspections conducted by Contractor, any corrective actions taken, the time a problem was first identified, a clear description of the problem, and the time elapsed between identification and completed corrective action.
- 10.2 Contractor shall immediately inform County of any issues that may prevent or hinder its ability to provide all required Services.

## **11.0 INFORMATION TECHNOLOGY SYSTEMS**

- 11.1 MIS is a computerized data based system that all Contractors are required to use to record service delivery and required HICAP Client level information. Contractor is also required to have an internet compatible microcomputer system, internet gateway, and to ensure equipment is in working condition. Contractor shall be responsible for its own data and service delivery input into MIS.
  - 11.1.1 MIS Personnel: Contractor shall assign an employee to have the primary responsibility for Client data entry into MIS. This person shall be the primary contact person for Client data issues and problems. The individual shall also be assigned a password to log-in and enter Client information. A back-up employee must be designated to act on behalf of the primary MIS contact person in the event of his or her absence.
    - 11.1.1.1 Contractor shall inform the County of the name of Contractor's MIS employee and back- up employee at the start of this Contract and within two (2) weeks of any reassignment or substitution. Only those Contractor employees who have been designated by Contractor and assigned a password by County shall be allowed to access MIS.
    - 11.1.1.2 Contractor shall ensure that the employee and back-up employee assigned for MIS training are properly trained to operate MIS and attend all MIS training provided by the AAA, and that MIS operations are in compliance with all applicable regulations.

11.2 Contract Management System (CMS): County has developed the Contract Management System Gateway (System), an automated system that allows County to electronically administer and manage the work specified in this Contract. County has implemented the System and Contractor shall use the System to perform its administrative contracting functions as directed by the County.

11.2.1 County has established policies concerning the access, use, and maintenance of the System. Contractor shall adhere to these policies which include Appendix A, Sample Contract, Exhibit R, Contract Management System – Contractors Gateway Terms and Conditions of Use instruction guides/tutorials provided by County, training sessions conducted by County, etc. Contractor's non-compliance with these policies may subject Contractor to denial of access to the System, suspension of payment(s), termination of the Contract, and/or other actions which County may take at its sole discretion under the terms of this Contract or applicable law or regulation.

11.3 Contractor shall maintain access to the Statewide HICAP Automated Reporting Program (SHARP) system.

## **12.0 UNUSUAL OCCURRENCES OR CRIME**

12.1 Unusual Occurrences such as natural disaster (including earthquakes, floods, landslides, wildfires, extreme heat/cold), man-made emergencies (such as epidemic outbreaks, bio-terrorism, food-borne illness, fire, major accidents, death from unnatural causes or other catastrophes), and unusual occurrences which threaten the welfare, safety or health of Clients, Contractor personnel or visitors to Contractor's facility(ies) shall be reported by Contractor within twenty-four (24) hours to the local health officer by telephone and in writing, and to County by telephone and also in writing or email.

12.2 Crime related occurrences, such as theft or vandalism, must be reported by Contractor within twenty-four (24) hours to the local police or sheriff by filing a police report, and to County by telephone, and in writing or email. Contractor shall also prepare and retain an incident report on file, and shall include a copy of the filed police report. Contractor shall maintain all incident reports in a manner consistent with Appendix A, Sample Contract, Paragraph 8.38, Record Retention and Inspection/Audit Settlement. Contractor shall furnish such other pertinent information related to such occurrence as the local authorities and/or County may require.

## **13.0 EMERGENCY AND DISASTER PREPAREDNESS**

13.1 Notwithstanding Contractor's and County's contractual objective to provide Services to eligible persons, Contractor shall make Services available to

any person impacted during the event of a State/nationally declared emergency, contingent upon the availability and commitment of Federal Emergency Management Agency (FEMA) or State Office of Emergency Services (OES) funds with which to reimburse Contractor for funds expended.

13.1.1 Contractor must have a written emergency plan on file describing how Services will be maintained during the event of a disaster or emergency.

13.1.2 Contractor must maintain a registry of HICAP Clients for emergency purposes.

13.2 Contractor shall develop and have on file a written Business Continuity Plan (BCP) that describes how Contractor will reduce the adverse impact of any emergency event, as referenced in Sub-paragraph 13.1, to HICAP Clients as determined by both the scope of the event (e.g., who and what it affects, and to what extent), and also its duration (e.g., hours, days, months). Contractor shall make the BCP available to its employees, volunteers, and Subcontractors, for reference before, during, and after such emergency event disruption.

#### **14.0 LICENSES AND CERTIFICATIONS**

14.1 Contractor shall obtain and maintain, during the term of this Contract, for Contractor and all staff, all appropriate licenses, permits and certificates required by all applicable County, State of California and/or Federal laws, regulations, guidelines, and directives for the operation of its facility(ies) and for the provision of Services hereunder such as Business Licenses, Fire Department Inspection Reports, Certificates of Insurance as indicated in Appendix A, Sample Contract, Paragraph 8.24 - General Provisions of All Insurance Coverage and Paragraph 8.25 - Insurance Coverage.

14.2 Prior to the execution of this Contract, and in cases of new staff or staff with updated licenses, permits or certifications, Contractor shall provide copies of all new or updated licenses, permits and certificates within ten (10) business days of the license, permit or certification award or update. Copies shall be sent to County's Contract Manager listed in Appendix A, Sample Contract, Exhibit E, County's Administration of the Contract.

#### **15.0 TRAININGS**

15.1 Contractor is responsible for ensuring its staff, including both employees and volunteers, both existing and new, are properly trained in all areas related to providing Services for the HICAP. Staff must be qualified, sufficient in number to deliver the Service(s) adequately, and capable of establishing effective communication with the participants as well as other AAA network contractors.

- 15.2 Contractor shall develop and implement an internal staff training policy including orientation to all new staff (which shall include employees and volunteers).
- 15.3 Contractor's Project Director shall ensure that all appropriate Contractor employees and volunteers attend all training sessions as required by County, held at a County facility or another site, as determined by County, for Contractor's benefit. Further, Contractor shall ensure that, at a minimum, a Contractor's designated, paid employee represents Contractor at each training session. Contractor may also choose to attend educational training opportunities outside of Los Angeles County at Contractor's own expense that Contractor reasonably deems to be beneficial for the delivery of HICAP Client Services, as well as other trainings designated by the AAA.
- 15.4 Contractor shall attend all mandated trainings called by County, or authorized designee. Contractor shall be given advance notice of all scheduled trainings with County. Failure to attend mandated trainings shall be considered non-compliance with this Contract, and may result in further action pursuant to Appendix A, Sample Contract, Paragraph 9.13, Probation and Suspension, and any other applicable Contract provisions.
- 15.5 Contractor staff is also required to regularly attend trainings that offer ways to expand knowledge of and increase efficiency in the Services provided. These trainings may be called by AAA and held at a County facility or another site as determined by the County.
- 15.6 Security Awareness Training: Contractor shall ensure that Contractor employees and volunteers who handle personal, sensitive, or confidential information relating to the Program complete the Security Awareness Training module located at [www.aging.ca.gov](http://www.aging.ca.gov) within thirty (30) days of the start date of this Contract or within thirty (30) days of the start date of any new employees or volunteers performance under this Contract.
- 15.6.1 Contractor shall maintain certificates of completion on file and provide them upon request by County or State representatives.

## **16.0 MEETINGS**

- 16.1 Contractor shall attend all mandated meetings called by County, or authorized designee. Contractor shall be given three to five days advance notice of all scheduled meetings with County. Contractor may also be required to attend emergency meetings when necessary. Failure to attend mandated meetings shall be considered non-compliance with this Contract, and may result in further action pursuant to Appendix A, Sample Contract, Paragraph 9.13, Probation and Suspension, and any other applicable Contract provisions.

- 16.2 Contractor staff is also required to regularly attend meetings that offer ways to expand knowledge of and increase efficiency in the Services provided. These meetings may be called by AAA and held at a County facility or another site, as determined by the County. Contractor may also choose to attend meetings outside of Los Angeles County at Contractor's own expense that Contractor reasonably deems to be beneficial for the delivery of HICAP Client Services, as well as other meetings designated by AAA.

## **17.0 COLLABORATIONS**

- 17.1 Contractor must form collaborations with County and City of Los Angeles Contractors providing Services funded through the OAA, including other program contractors, and other community organizations in order to ensure comprehensive and coordinated service delivery and to prevent unnecessary duplication of Services. Contractor is encouraged to share vital assessment information with other agencies providing Services to the Client in the home. However in sharing information with other agencies, Contractor must respect Client confidentiality rights, adhere to applicable confidentiality regulations, and follow appropriate protocols.
- 17.2 Contractor shall develop linkages with other community-based long-term care service providers, particularly those that see the Client at home.
- 17.3 Contractor shall establish procedures to protect all Client information consistent with the terms of this Contract; any amendments thereto; and all applicable laws shall not disclose Client information without written consent from County and the Client.

## **18.0 LOCATION OF SERVICE AND HOURS OF OPERATION**

- 18.1 Contractor shall obtain:
- 18.1.1 Required building inspection certificates (health, fire, etc.) for all Contractor places of business/site locations; and
  - 18.1.2 Prior written consent of the County Director, or authorized designee, and shall comply with Appendix A, Sample Contract, Paragraph 9.9, Modifications, as applicable, before modifying or terminating Services, or revising hours of Program Service delivery at a previously designated location(s) and before commencing such Services at any other location.
- 18.2 Contractor shall ensure that all site locations/buildings and surrounding areas are maintained in a manner consistent with applicable local, State and Federal occupational safety and sanitation regulations. The premises shall be free of any accumulation of garbage, rubbish, stagnant water, or filthy or offensive matter of any kind to ensure that the premises are maintained in a clean and wholesome condition. The physical locations

shall be acceptable and accessible to the public. Contractor shall comply with the Americans with Disabilities Act of 1990.

- 18.3 Contractor shall publicly display at all Contractor office locations/sites the days and hours of operation for the provision of contracted Services. Contractor shall ensure that availability for Services is appropriate for the demographics associated with the service area (site or office location).
- 18.4 Contractor shall maintain an office in Los Angeles County.
- 18.5 Contractor's office shall be open a minimum of eight hours per day between the hours of 8:00 a.m. to 5:00 p.m., Monday through Friday, excluding County observed Holidays.
- 18.6 In addition to satisfying the requirements listed in Sub-paragraph 18.1.1 above, Contractor shall inform County in writing and receive a written County approval at least sixty (60) days prior to relocation of Contractor's office.

## **19.0 MULTIPURPOSE SENIOR CENTERS**

- 19.1 If Contractor operates a Multipurpose Senior Center as defined under 42 USC 3002, Contractor must adhere to all applicable Los Angeles County, State of California, and Federal guidelines and regulations, including, but not limited to, 22 CCR 7550 – 7562.
- 19.2 If Contractor operates a Multipurpose Senior Center, as noted in Sub-paragraph 19.1 above, Contractor shall comply with the provisions contained in the following acts:
  - 19.2.1 Copeland "Anti-Kickback" Act (18 USCS 874) (29 CFR Part 3)
  - 19.2.2 Davis-Bacon Act (40 USCS 3141-3142) (29 CFR Part 5)
  - 19.2.3 Contract Work Hours and Safety Standard Act (40 USC 327-332) (29 CFR Part 5)
  - 19.2.4 Executive Order 11246 of September 14, 1965, entitled "Equal Employment Opportunity" as amended by Executive Order 11375 of October 13, 1967, as supplemented in the Department of Labor Regulations (41 CFR Part 60)
- 19.3 Contractor acknowledges that when an existing facility has been altered with Contract Funds available through this Contract and is used as a Multipurpose Senior Center, the period of time in which such facility must be used as a Multipurpose Senior Center is as follows:
  - 19.3.1 Not less than three (3) years from the date the Contract terminates or expires where the amount of the Contract or award of Contract



Funds including the non-federal share, does not exceed thirty thousand dollars (\$30,000).

19.3.2 If the amount of award exceeds thirty thousand dollars (\$30,000), the fixed period of time shall not be less than three (3) years from the date the Contract terminates or expires, and increased one (1) year for each additional ten thousand dollars (\$10,000), or part thereof, to a maximum adjustment factor of seventy-five thousand dollars (\$75,000).

19.3.3 For amounts, or award of Contract Funds, exceeding seventy-five thousand dollars (\$75,000), the fixed period of time shall not be less than ten (10) years from the date this Contract expires or terminates.

## **20.0 GREEN INITIATIVES**

20.1 Contractor shall use reasonable efforts to initiate “green” practices for environmental and energy conservation benefits.

20.2 Contractor shall notify County’s Contract Management Manager of Contractor’s new green initiatives prior to the commencement of this Contract.

## **21.0 CONTRACT DOCUMENT DELIVERABLES**

21.1 Contractor shall complete and submit to County certain documents, which are specified herein as part of this Contract’s deliverables. Upon commencement of this Contract and annually thereafter (or as otherwise established by County, Contractor shall submit Contract Document Deliverables in the form and manner that is prescribed by County. These deliverables must be complete (with no missing pages) and legible, and shall include:

21.1.1 Contract Compliance Documents (as described in Sub-paragraph 21.3).

21.1.2 Business Forms (as described in Sub-paragraph 21.4)

21.1.3 Reporting Documents (as described in Sub-paragraph 21.5)

21.2 Contractor’s failure to timely submit documents required or requested by County may result in suspension of payments or other remedies as determined by County.

### **21.3 CONTRACT COMPLIANCE DOCUMENTS**

21.3.1 Contractor shall provide to County’s Contract Manager, by the deadline imposed by County, current copies of the following Contract Compliance Documents:

- 21.3.1.1 Business License: When the local governing authority requires Contractor's organization to obtain a license to operate and conduct business within its local governing authority's jurisdiction, Contractor shall obtain such license to perform the Services outlines in this Contract. The local governing authority may be either the local city government or entities doing business within its city's limits or the County of Los Angeles for entities located outside of city limits (i.e., unincorporated areas or designated cities). Contractor shall ensure that the license is current throughout the entire term of this Contract. Contractor shall provide a current copy of its license to County annually (or upon expiration, as noted on the license).
- 21.3.1.2 Certificate of Insurance: The certificate shall evidence Contractor's compliance with the insurance requirements outlined in Appendix A, Sample Contract, Paragraphs 8.24, General Provisions for all Insurance Coverage and 8.25 Insurance Coverage.
- 21.3.1.3 Fire Department Inspection Report: For each Service site that Client will visit, Contractor shall obtain an annual fire inspection of its facility(ies). The inspection shall be conducted by the Los Angeles County Fire Department or by Contractor's local fire department and Contractor shall obtain a written report of the inspection which shall be provided to County annually. In the event that violations are noted on the inspection report, Contractor shall ensure that it complies with all corrective measures as directed by the fire department. Contractor shall provide to County written evidence of its compliance within five (5) days of receiving the evidence from the fire department.

## 21.4 BUSINESS FORMS

21.4.1 Contractor shall provide to County's Contract Manager, by the deadline imposed by County, the following Business Forms:

- 21.4.1.1 Articles of Incorporation: This document, which evidences the legal formation of Contractor's organization, shall reflect Contractor's current legal name; and, County shall use this document as verification of Contractor's name. In the event there are any amendments or addendums to the articles of incorporation, Contractor shall provide copies of such amendments/addendums to County within five (5) days of said amendments/addendums being finalized.



21.4.1.1.1 When Contractor's organization is a local government or a consortium of local governments, Contractor shall provide either a city charter or a joint powers agreement, respectively, in lieu of the articles of incorporation.

21.4.2 Board of Director's Resolution: A resolution which provides written evidence to support the delegated authority that contractor's organization has vested in its Authorized Representative, who will act on behalf of Contractor pursuant to Appendix A, Sample Contract, Paragraph 8.3, Authorization Warranty. Such written evidence shall adhere to the following requirements:

21.4.2.1 If Contractor is a public entity (defined as the government of the United States; the government of a State or political subdivision of a State; or an agency of the United States, a State, or a political subdivision of a State; or any interstate governmental agency), Contractor shall submit a copy of its resolution, order or motion which has been approved by its Governing Body (e.g. Board of Supervisors, City Council, etc.) to County. If Contractor is a private nonprofit entity, Contractor shall submit a copy of written authorization from its Governing Body (e.g., Board of Directors to County.

21.4.2.2 Contractor's resolution, order, motion or other authorization shall contain the following elements: reference to this Contract number; authorize execution of this Contract; identify Contractor's Authorized Representative who will execute the original Contract and any subsequent amendments to this Contract; and, approve and accept Contract Funds (as defined in Appendix A, Sample Contract, Exhibit J, Definitions). In the event that there is a change in Contractor's authorized Representative, Contractor shall provide County a revised resolution, order, motion or other authorization which reflects the new Authorized Representative within five (5) days of being approved by the Governing Body.

21.4.3 Board of Directors Roster: The roster shall include the individuals who comprise Contractor's Board of Directors. In the event that the roster is updated, Contractor shall provide updated roster to County within five (5) days of it being approved or finalized.

- 21.4.4 By-Laws: This document shall reflect the internal rules which govern Contractor's organization. These rules are generally concerned with the operation of the organization, and setting out the form, manner or procedure in which the organization should operate. In the event that the bylaws are amended, Contractor shall provide such amendments to County within five (5) days of them being approved.
- 21.4.5 Complaint Policies and Procedures: Contractor's policies and procedures for receiving, investigating and responding to Client complaints shall be prepared and submitted to County pursuant to the requirements outlined in Appendix A, Sample Contract Paragraph 8.5, Complaints.
- 21.4.6 Direct Deposit Authorization Form: Document completed by Contractor for purposes of authorizing payment for Services to be received through direct deposit into Contractor's bank account. County shall provide the form to Contractor upon commencement of Contract.
- 21.4.7 Organization Chart: The chart shall provide an outline of the hierarchy, relationships and relative ranks of Contractor's organizational parts and positions/jobs as it relates to the operations of this Contract. In the event that Contractor revises its organization chart, a copy shall be provided to County within five (5) days of any change in its organization chart.
- 21.4.8 Subcontract: An executed third-party agreement (as defined in Appendix A, Sample Contract Paragraph 8.40, Subcontracting and Appendix A, Sample Contract, Exhibit J, Definitions, and any amendments or addendums thereto, shall be provided to County within five (5) days of the execution of that agreement, amendment and addendum.
- 21.4.9 Tax Exempt Status Letter: Written documentation that is obtained from the Internal Revenue Service, must evidence Contractor's tax exempt status. When Contractor is a non-profit entity, such evidence must reflect Contractor's tax-exempt status. In the event Contractor's tax exempt status changes, Contractor shall provide County a copy of its new status within five (5) days of any change in its tax exempt status.
- 21.4.10 Terms and Conditions of Use-User Agreement: Each employee who will access the Contract Management System – Contractor's Gateway shall complete and submit this agreement. Additional information is available in Appendix A, Sample Contract, Exhibit R, Contract Management System – Contractor's Gateway Terms and Conditions of Use.

## 21.5 REPORTING DOCUMENTS

21.5.1 Contractor shall provide to County's Contract Manager, by the deadline imposed by County, the following Reporting Documents:

21.5.1.1 Cost Allocation Plan: This plan shall adhere to the requirements outlines in Sub-paragraph 6.3 (Cost Allocation Plan for Cost Reimbursement Activities) above.

21.5.1.2 Closeout Report: This report shall adhere to the requirements outlined in Sub-paragraph 6.4 (Close-Out Reports) above.

21.5.1.3 Program Income Statement Report: This report shall adhere to the requirements outlined in Sub-paragraph 6.4 (Program Income Statement Report) above.

21.5.1.4 Other Reporting Documents: From time-to-time, County or its designee(s) may request other documents relating to Contractor's performance, work and/or, Services. County shall not be unreasonable in its request and Contractor shall adhere to County's request for such documents.

## **22.0 OTHER PROVISIONS**

### **22.1 PROGRAM SUPERVISION, MONITORING AND REVIEW**

Services hereunder shall be provided by Contractor under the general supervision of County. County shall have the right to supervise, monitor and specify the kind, quality, appropriateness, timeliness and amount of the Services and the criteria for determining the persons to be served. Contractor agrees to extend to County, to authorized State representatives, and to authorized federal representatives, the right to review and monitor Contractor's facilities, programs, records, or procedures at the discretion of County, State and Federal representatives.

### **22.2 SOLICITATION OF VOLUNTARY CONTRIBUTIONS**

22.2.1 Contractor shall ensure that Clients are not required to contribute to the Program when they are requesting or receiving Services. Solicitation of voluntary contributions shall not be coercive. Clients shall not be denied Services based on their inability or unwillingness to contribute.

22.2.1.1 Contractor shall develop a method to enable Clients to voluntarily contribute to the cost of the Program. The following practices pertaining to voluntary contributions/donations and/or share of costs **are not allowed:**

22.2.1.1.1 Requests from Clients to assist in the share of cost to the Program.

- 22.2.1.1.2 Tracking donations by accounts receivable.
- 22.2.1.1.3 Tracking donations by individual participants.
- 22.2.1.1.4 Pamphlets and websites must not state that payment is required for Services or state a monetary amount for Services.
- 22.2.1.1.5 Employing tactics, in any way, that could be viewed as embarrassing to Clients and/or obligatory requests for donations.
- 22.2.1.1.6 Employing tactics such as allowing volunteers to guard the collection boxes or having Clients sign in and pay before receiving Services.
- 22.2.1.1.7 At the time of the intake interview, compelling a Client to pledge a particular amount as an agreed upon donation.
- 22.2.1.1.8 Using coercion to solicit voluntary contributions.
- 22.2.1.1.9 A donation request resembling a billing statement or invoice.
- 22.2.1.1.10 Imposing a suggested contribution rate based on Client's income.
- 22.2.1.2 Contractor shall clearly inform each Client that there is no obligation to contribute, and that any contributions they make are strictly voluntary.
- 22.2.1.3 Contractor must have a mechanism in place to ensure that the privacy and confidentiality of each Client is protected whether or not they choose to make a contribution.
- 22.2.1.4 Contractor must establish a procedure for soliciting donations that provides the Client with a confidential method for making donations.
- 22.2.1.5 Volunteers and/or staff at the sign-in table must be trained on the donation policy, emphasizing the confidential nature of any contributions.
- 22.2.1.6 Clients contributions received may be used for Services. However, Contractor acknowledges that any contributions will not reduce the Contract amount and shall only be used to supplement, not supplant, Program funds.
- 22.2.1.7 Contractor shall establish written procedures to protect

contributions and fees from loss, mishandling, and theft. Such procedures shall be kept on file at Contractor's site.

22.2.1.8 Contractor shall separate collected contributions from Contract funding. All contributions and fees shall be identified as Program Income and used to increase the number of Clients served, facilitate access, and/or provide supportive services.

22.2.1.9 Contributions on hand at the end of each fiscal year may be retained, and shall be recorded separately from grant-related income.

22.2.1.10 All records of contributions, written procedures governing solicitation of funds, solicitation materials, or other contribution-related records shall be held pursuant to record retention policies outlined in Appendix A, Sample Contract, Paragraph 8.38, Record Retention and Inspection/Audit Settlement.

## 22.3 CONFIDENTIALITY AND SECURITY OF HICAP DATA

22.3.1 Contractor shall have current, written procedures to protect the confidentiality and privacy of Client information collected for HICAP purposes in accordance with all applicable laws including 22 CCR Section 7500(b). This includes, but is not limited to, written procedures that assure that interviews, office space, telecommunications and e-mails protect the confidentiality of Client and all complaint-related communications and records.

22.3.2 Contractor shall encrypt (or use an equally effective measure) any data collected under this Contract that is confidential, sensitive or personal including data stored on portable computing devices (including, but not limited to, laptops, personal digital assistants and notebook computers), and/or portable electronic storage media (including, but not limited to, discs, thumb drives, flash drives and portable hard drives).

22.3.3 Contractor shall require all Staff, including paid employees and Volunteers, who have access to confidential files or any other confidential information within the office to sign confidentiality forms prepared and executed consistent with Appendix A, Sample Contract, Paragraph 7.5, Confidentiality.

22.3.4 Information related to complaints, collected and maintained by Contractor, including the identity of Client, shall be maintained in accordance with Appendix A, Sample Contract, Paragraph 7.5, Confidentiality.

## 22.4 STATE REGISTRATION AND CRIMINAL BACKGROUND CLEARANCE

22.4.1 Contractor shall ensure that all HICAP Program Staff, including Volunteers, who provide counseling are trained and registered with the State as HICAP Counselors in accordance with all applicable laws, regulations, the HICAP Counselor's Handbook, the HICAP Program Manual, and:

22.4.1.1 Receive a minimum of 24 classroom hours of required HICAP Counselor's training provided by Contractor, using the curriculum approved by the CDA in the HICAP Counselor's Handbook and the HICAP Training Manual for registering HICAP Counselors.

22.4.1.2 Complete an internship of not less than 10 hours with an experienced HICAP Counselor upon determination by the Contractor's HICAP Program Manager to be capable of discharging the responsibilities of a counselor.

22.4.1.3 Complete a minimum of 12 training hours per year, provided by the Contractor's Program Manager, and provide 40 hours of counseling to the HICAP within each 24 month period in order to maintain their "registered" status with the State.

22.4.1.4 Attend any additional applicable training as required by the CDA and County.

22.4.1.5 Attend regular meetings conducted by Contractor and/or by County to provide current training and to disseminate information.

22.4.2 Contractor shall adhere to all requirements imposed by County, State and Federal agencies for completing the background clearance process for HICAP Staff, including those in Appendix A, Sample Contract, Sub-paragraph 7.4, Background and Security Investigations, and this Appendix B, Statement of Work.

22.4.3 Contractor shall not permit HICAP Counselors not meeting all requirements of Sub-paragraph 5.3.4 of this Statement of Work to perform Services for Contractor.



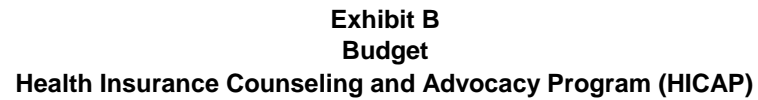
**Exhibit B**  
**Budget**  
**Health Insurance Counseling and Advocacy Program (HICAP)**

<b>Contract No.:</b>	
<b>Fiscal Year:</b>	
<b>Amendment No.:</b>	

**Legal Name of Agency:** \_\_\_\_\_

**I. BUDGET SUMMARY**

Line	COST/FUNDING CATEGORIES		SUP DIST 1	SUP DIST 2	SUP DIST 3	SUP DIST 4	SUP DIST 5	TOTAL BUDGET
1	Personnel	Cash						\$ -
		In-Kind						\$ -
2	Consultants	Cash						\$ -
		In-Kind						\$ -
3	Equipment	Cash						\$ -
		In-Kind						\$ -
4	Other Costs	Cash						\$ -
		In-Kind						\$ -
5	<b>Total Direct Costs</b>	<b>Cash</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		<b>In-Kind</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	Indirect or Contract Allocated Costs	Cash						\$ -
		In-Kind						\$ -
8	<b>Total Program Costs</b>	<b>Cash</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		<b>In-Kind</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9	Grant	Cash						\$ -
12	Grant Related Income	Cash						\$ -
14	<b>Total Program Funding</b>	<b>Cash</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		<b>In-Kind</b>						
15	<b>GRAND TOTAL</b>		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16	<b>Variance (Line 8 - Line 14)</b>	Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		In-Kind	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



**Legal Name of Agency:** \_\_\_\_\_ 0

Page 2 of 5





**Exhibit B**  
**Budget**  
**Health Insurance Counseling and Advocacy Program (HICAP)**

Contract No.:	
Fiscal Year:	
Amendment No.:	0

**Legal Name of Agency:** \_\_\_\_\_ 0 \_\_\_\_\_

III. CONSULTANTS (LIST TITLES)	(A) UNIT COST	(B) NUMBER OF UNITS	(C) NO. OF MONTHS	(D) TOTAL COST (A*B*C*D)	(E) GRANT	(F) GRANT RELATED INCOME	(G) BUDGET (E+F)	(H) VARIANCE (D - G)
							\$ -	
							\$ -	
							\$ -	
							\$ -	
							\$ -	
							\$ -	
							\$ -	
							\$ -	
							\$ -	
							\$ -	
							\$ -	
TOTAL CONSULTANTS				\$ -	\$ -	\$ -	\$ -	\$ -





**Exhibit B**  
**Budget**  
**Health Insurance Counseling and Advocacy Program (HICAP)**

<b>Contract No.:</b>	
<b>Fiscal Year:</b>	
<b>Amendment No.:</b>	<b>0</b>

**Legal Name of Agency:** 0

	(A) UNIT COST	(B) NUMBER OF UNITS	(C) NO. OF MONTHS	(D) TOTAL COST (A*B*C)	(E) GRANT	(F) GRANT RELATED INCOME	(G) BUDGET (E+F)	(H) VARIANCE (D - G)
<b>VII. OTHER COSTS</b>								
<b>(DESCRIPTION)</b>								
ACCOUNTING SERVICES								
ADVERTISING								
BUILDING SPACE								
AUDIT								
DUES, MEMBERSHIPS & SUBSCRIPTIONS								
EQUIPMENT RENTAL								
INSURANCE								
PAYROLL SERVICES								
POSTAGE								
PRINTING								
REPAIRS & MAINTENANCE - SPACE								
STAFF TRAINING								
SUPPLIES - OFFICE								
TAXES & LICENSES								
TELEPHONE								
TRAVEL - MILEAGE (COST/MILE)								
TRAVEL - OUT-OF-STATE								
UTILITIES								
VOLUNTEER - EXPENSES								
VOLUNTEER - MILEAGE (COST/MILE)								
VOLUNTEER - TRAINING								
<b>TOTAL OTHER COSTS</b>				\$ -	\$ -	\$ -	\$ -	\$ -
<b>VIII. INDIRECT COSTS</b>								
<b>(DESCRIPTION)</b>								
INDIRECT COSTS								



**Exhibit C**  
**Mandated Program Services**  
**Health Insurance Counseling and Advocacy Program (HICAP)**

<b>Contract No.:</b>	
<b>Fiscal Year:</b>	
<b>Amendment No.:</b>	

**Legal Name of Agency:** \_\_\_\_\_

<i>Main Administrative Office Address</i>	<i>City</i>	<i>State</i>	<i>Zip Code</i>	<i>Fax Number</i>
---	-------------	--------------	-----------------	-------------------

		CA		
<i>Mailing Address (If different from above)</i>	<i>City</i>	<i>State</i>	<i>Zip Code</i>	<i>Fax Number</i>

<i>Prefix</i>	<i>Official Authorized to Sign for Agency</i>	<i>Job Title</i>	<i>Phone Number</i>	<i>Ext.</i>	<i>E-Mail Address</i>
---------------	---	------------------	---------------------	-------------	-----------------------

<i>Prefix</i>	<i>Primary/Secondary Contact for Program</i>	<i>Job Title</i>	<i>Phone Number</i>	<i>Ext.</i>	<i>E-Mail Address</i>
---------------	--	------------------	---------------------	-------------	-----------------------

**GRANT SUMMARY CHART**

	(A)	(B)	(C) MATCH		(D) NON-MATCH		(E)	(F)
SUP DIST.	GRANT COSTS	NO. OF UNDUP CLIENTS	CASH	IN-KIND	CASH	IN-KIND	GRANT RELATED INCOME	TOTAL PROGRAM COST F=A+C+D+E
1								\$ -
2								\$ -
3								\$ -
4								\$ -
5								\$ -
	\$ -	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



**Exhibit C**  
**Mandated Program Services**  
**Health Insurance Counseling and Advocacy Program (HICAP)**

Contract No.:	
Fiscal Year:	
Amendment No.:	0

Legal Name of Agency: \_\_\_\_\_ 0

**I. Site Summary**

						Hours of Operation		
	Site Name	Sup District	Site Address	Public Phone Number	Site Manager/ Phone Number	M-F	Sat	Sun
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								



**Exhibit C**  
**Mandated Program Services**  
**Health Insurance Counseling and Advocacy Program (HICAP)**

Contract No.:	
Fiscal Year:	
Amendment No.:	0

Legal Name of Agency: \_\_\_\_\_ 0

**I. Site Summary**

						Hours of Operation		
	Site Name	Sup District	Site Address	Public Phone Number	Site Manager/ Phone Number	M-F	Sat	Sun
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								



**Exhibit C**  
**Detail of Program Services**

Contract No.:	0
Fiscal Year:	0
Amendment No.:	0

**Legal Name of Agency:** 0

II. Service Unit Summary		Sup Dist 1		Sup Dist 2		Sup Dist 3		Sup Dist 4		Sup Dist 5		TOTAL	
Unduplicated Clients													
	Unit Cost	Units	Cost	Units	Cost	Units	Cost	Units	Cost	Units	Cost	Units	Cost
<b>HICAP Services</b>			\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
Community Education													
Long-Term Care Educ													
Counseling/Inf. Advoc.													
Legal Services													
HICAP Counselor/Recruit													
Telephone Access													
Referral to CDI/DMHC													
<b>Sub-Total</b>			\$ -		\$ -		\$ -		\$ -		\$ -		\$ -

**III. Services by Month**

	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Community Education													-
Long-Term Care Educ													-
Counseling/Inf. Advoc.													-
Legal Services													-
HICAP Counselor/Recruit													-
Telephone Access													-
Referral to CDI/DMHC													-
<b>Sub-Total</b>	0	0	0	0	0	0	0	0	0	0	0	0	0

**EXHIBIT D**  
**(CONTRACTOR'S EQUAL EMPLOYMENT OPPORTUNITY CERTIFICATION)**

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Contractor's Name

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Contract Number

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Address

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Internal Revenue Service Employer Identification Number

**GENERAL CERTIFICATION**

In accordance with Los Angeles County Code Section 4.32.010, Contractor, supplier, or vendor certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

**CONTRACTOR'S SPECIFIC CERTIFICATIONS**

- |  |                              |                             |
|--|------------------------------|-----------------------------|
| 1. Contractor has a written policy statement prohibiting discrimination in all phases of employment.   | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. Contractor periodically conducts a self-analysis or utilization analysis of its workforce.  | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. Contractor has a system for determining if its employment practices are discriminatory against protected groups.  | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 4. Where problem areas are identified in employment practices, Contractor has a system for taking reasonable corrective action, to include establishment of goals or timetables. | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

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Name of Authorized Representative (Print)

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Signature

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Title of Authorized Representative (Print)

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Date



**EXHIBIT E**  
**(COUNTY'S ADMINISTRATION)**

**FISCAL YEAR:** 2014/15

**COUNTY'S DEPARTMENT HEAD**

Name: Ms. Cynthia D. Banks  
Title: Director  
Address: 3175 West Sixth Street  
Los Angeles, Ca 90020  
Telephone: (213) 637-0798  
E-Mail Address: [cbanks@css.lacounty.gov](mailto:cbanks@css.lacounty.gov)

**COUNTY'S CONTRACT MANAGER**

Name: Ms. Carol Domingo  
Title: Program Manager  
Address: 3175 West Sixth Street  
Los Angeles, Ca 90020  
Telephone: (213) 639-6339  
E-Mail Address: [cdomingo@css.lacounty.gov](mailto:cdomingo@css.lacounty.gov)

**COUNTY'S PROGRAM MANAGER**

Name: Ms. Anna Avdalyan  
Title: Program Manager  
Address: 3333 Wilshire Boulevard, Room 400  
Los Angeles, Ca 90010  
Telephone: (213) 738-4749  
E-Mail Address: [aavdalyan@css.lacounty.gov](mailto:aavdalyan@css.lacounty.gov)

**COUNTY'S COMPLIANCE MANAGER**

Name: Ms. Jackie Lynn Sakane  
Title: Program Manager  
Address: 3175 West Sixth Street  
Los Angeles, Ca 90020  
Telephone: (213) 739-7321  
E-Mail Address: [jsakane@css.lacounty.gov](mailto:jsakane@css.lacounty.gov)

**EXHIBIT F  
(CONTRACTOR'S ADMINISTRATION)**

**CONTRACTOR'S NAME:**

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**CONTRACT NUMBER:**

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**FISCAL YEAR:**

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**CONTRACT SERVICES:**

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**CONTRACTOR'S PROJECT DIRECTOR**

Name:

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Title:

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Address:

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Telephone:

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Facsimile:

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E-Mail Address:

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**CONTRACTOR'S AUTHORIZED REPRESENTATIVE(S)**

Name:

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Title:

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Address:

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Telephone:

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Facsimile:

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E-Mail Address:

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Name:

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Title:

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Address:

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Telephone:

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Facsimile:

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E-Mail Address:

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**INVOICES - AUTHORIZED SIGNER**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

***Signature:*** \_\_\_\_\_

**NOTICES TO CONTRACTOR SHALL BE SENT TO:**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

**CONTRACTOR'S DESIGNATED COMMUNITY FOCAL POINTS**

Site Name: \_\_\_\_\_

Site Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Site Name: \_\_\_\_\_

Site Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

## **EXHIBIT G (CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT)**

### **GENERAL INFORMATION**

As referenced herein, Contractor has entered into this Contract with County to provide Services outlined in this Contract. County requires Contractor to adhere to the requirements outlined in Paragraph 7.5 (Confidentiality) of this Contract, this Exhibit G and Exhibit P (Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA")) – if/when Exhibit P (Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA")) is included with this Contract – as a condition of the Work to be provided by Contractor under this Contract. By signing herein, Contractor certifies that Contractor and Contractor's Staff (defined below) shall adhere to these requirements.

### **CONTRACTOR ACKNOWLEDGEMENT**

Contractor understands and agrees that Contractor employees, volunteers, consultants, outsourced vendors and independent contractors, (collectively "Contractor's Staff" as used herein) that provide Services under this Contract are Contractor's sole responsibility. Contractor understands and agrees that Contractor's Staff rely exclusively upon Contractor for any payment of salaries and all other benefits payable by virtue of Contractor Staff's performance of Work under this Contract.

Contractor understands and agrees that Contractor and Contractor's Staff are not employees of County for any purpose whatsoever. Contractor and Contractor's Staff do not have and will not acquire any rights or benefits of any kind from County by virtue of Contractor's performance of Work under this Contract. Contractor understands and agrees that neither Contractor nor Contractor's Staff will acquire any rights or benefits from County pursuant to any agreement between any person or entity and County.

### **CONFIDENTIALITY AGREEMENT**

#### ***Access and Security to Confidential/Protected Information***

Contractor and Contractor's Staff may be involved with work pertaining to services provided by the County of Los Angeles and, if so, Contractor and Contractor's Staff may have access to confidential data and information pertaining to persons and/or entities receiving services from the County of Los Angeles. In addition, Contractor and Contractor's Staff may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. Contractor and Contractor's Staff shall protect the confidentiality of such data and information when it is involved in County Work.

Contractor and Contractor's Staff agree to keep all of the following data and information confidential and protect them against disclosure to any unauthorized person or entity: health, criminal, and welfare recipient records; data and information pertaining to persons and/or entities receiving services from the County of Los Angeles; design concepts; algorithms; programs; formats; documentation; Contractor's proprietary information; proprietary information supplied by other County vendors that is provided to Contractor or Contractor's Staff during the term of this

Contract; and, other original materials produced, created, or provided to Contractor and Contractor's Staff under this Contract.

Data and information received from Federal, State, County or local departments/agencies are confidential when they identify an individual or an employing unit. Confidential information is not open to the public and requires special precautions to protect it from loss, unauthorized use, access, disclosure, modification, and destruction. Contractor and Contractor's Staff shall keep all information furnished by a Federal, State, County or local agency/department strictly confidential, and will make the information available to Contractor's Staff on a "need-to-know" basis, as specifically authorized in this Contract. Contractor shall instruct all of Contractor's Staff with access to Federal, State, County or local information on the confidentiality of this information and the sanctions related to unauthorized use and disclosure.

### ***Applicable Confidentiality Laws***

Contractor shall comply with all applicable laws pertaining to confidentiality. This shall include, but is not limited to, the confidentiality provisions of the California Welfare and Institutions Code, Section 10850 and the California Department of Social Services, Division 19, Manual of Policies and Procedures – Confidentiality, Fraud, Civil Rights, and State Hearings.

Contractor shall have written procedures to protect the confidentiality and privacy of Client information collected for purposes of the Program, in accordance with all applicable laws and regulations.

### ***Disclosure of Confidential Information***

Contractor and Contractor's Staff shall not divulge to any unauthorized person confidential or non-confidential data or information about Client (or obtained from Client in a form that identifies that person) which has been obtained while performing Work pursuant to this Contract. Contractor shall send written notice to County's Contract Manager within five (5) business days prior to the release of such information when:

- Contractor receives a request for the release of any data or information unless the request is made by County or its duly authorized representatives. Contractor shall not release said information without County's prior written approval.
- Requests to obtain confidential records are made through the legal process.

Records with Client names, addresses and phone numbers shall:

- Be available only to Contractor's Staff who are authorized to assist Client.
- Remain in a secure, locked file or secure area to protect confidentiality of the records.
- Be removed from data or information used for reporting and planning purposes and from data or information made available to the public unless Client's documented consent has been obtained.

Consistent with all applicable laws, Contractor shall maintain the confidentiality of any information pertaining to Clients and the immediate family of any applicant or Client when such information may be obtained through application forms, interviews, tests, reports from public agencies or counselors, or any other source. Contractor shall receive written permission from both Client and County before releasing such information unless disclosure is required under the following conditions:

- By court process, order, or decree.
- For information which is necessary for the administration and monitoring of the performance, operation or evaluation of this Contract.
- Upon request from Federal, State and County governmental authorities consistent with all applicable laws.

Contractor shall send written notice to County's Contract Manager within twenty-four (24) hours upon discovery of:

- Any actual or suspected misuse, misappropriation, unauthorized disclosure of, or unauthorized access to confidential information.
- Unauthorized access gained to computer(s) used by Contractor and Contractor's Staff, containing confidential information related to this Contract, including the names and information of referred Clients. Unauthorized access may include a virus or worm that penetrates and gains access to a computer and places a back door or keystroke logger on it, or a directed hack/crack that gains access to and some control over a computer.
- Any and all violations of the confidentiality and protected information provisions of this Contract made by Contractor, Contractor's Staff and/or by any other person of whom Contractor becomes aware.

#### ***Return/Destruction of Confidential Records***

Contractor agrees to store and process information electronically, in a manner that renders it irretrievable by unauthorized computer, remote terminal, or other means. When no longer in use, Contractor shall promptly return confidential information to County's Contract Manager and/or destroy all copies/derivations. A method of confidential information destruction must be approved by County and thereafter must be used by Contractor. Approved methods include shredding, burning, or certified or witnessed destruction. Contractor shall demagnetize magnetic media and return it to County's Contract Manager.

#### ***Certification***

Contractor assumes sole responsibility for Contractor's Staff in the maintenance of confidentiality as provided in the entirety of this Contract. Contractor and Contractor on behalf of Contractor's Staff acknowledge that violation of the provisions herein may subject Contractor and Contractor's Staff to civil and/or criminal action and that County may seek all possible legal redress.

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Contractor's Name

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Contract Number

---

Name of Authorized Representative (Print)

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Signature

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Title of Authorized Representative (Print)

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Date

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Exhibit G (Contractor Acknowledgement and Confidentiality Agreement)

**EXHIBIT H**  
**(CONTRACTOR EMPLOYEE JURY SERVICE)**

Los Angeles County Code  
Title 2 (Administration)  
Chapter 2.203.010 through 2.203.090  
Contractor Employee Jury Service

**2.203.010 Findings.**

The Board of Supervisors makes the following findings. The County of Los Angeles allows its permanent, full-time employees unlimited jury service at their regular pay. Unfortunately, many businesses do not offer or are reducing or even eliminating compensation to employees who serve on juries. This creates a potential financial hardship for employees who do not receive their pay when called to jury service, and those employees often seek to be excused from having to serve. Although changes in the court rules make it more difficult to excuse a potential juror on grounds of financial hardship, potential jurors continue to be excused on this basis, especially from longer trials. This reduces the number of potential jurors and increases the burden on those employers, such as the County of Los Angeles, who pay their permanent, full-time employees while on juror duty. For these reasons, the County of Los Angeles has determined that it is appropriate to require that the businesses with which the County contracts possess reasonable jury service policies. (Ord. 2002-0015 § 1 (part), 2002).

**2.203.020 Definitions.**

The following definitions shall be applicable to this chapter:

- A. "Contractor" means a person, partnership, corporation or other entity which has a contract with the county or a subcontract with a county contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more such contracts or subcontracts.
- B. "Employee" means any California resident who is a full-time employee of a contractor under the laws of California.
- C. "Contract" means any agreement to provide goods to, or perform services for or on behalf of, the county but does not include:
  - 1. A contract where the Board finds that special circumstances exist that justify a waiver of the requirements of this chapter; or
  - 2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor; or
  - 3. A purchase made through a state or federal contract; or
  - 4. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, or reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-3700 or a successor provision; or
  - 5. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, Section 4.4.0 or a successor provision; or
  - 6. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-2810 or a successor provision; or

7. A non-agreement purchase with a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section A-0300 or a successor provision; or
  8. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section PP-1100 or a successor provision.
- D. "Full time" means 40 hours or more worked per week, or a lesser number of hours if:
1. The lesser number is a recognized industry standard as determined by the chief administrative officer, or
  2. The contractor has a long-standing practice that defines the lesser number of hours as full time.
- E. "County" means the County of Los Angeles or any public entities for which the Board of Supervisors is the governing body. (Ord. 2002-0040 § 1, 2002: Ord. 2002-0015 § 1 (part), 2002)

### **2.203.030 Applicability.**

This chapter shall apply to contractors who enter into contracts that commence after July 11, 2002. This chapter shall also apply to contractors with existing contracts which are extended into option years that commence after July 11, 2002. Contracts that commence after May 28, 2002, but before July 11, 2002, shall be subject to the provisions of this chapter only if the solicitations for such contracts stated that the chapter would be applicable. (Ord. 2002-0040 § 2, 2002: Ord. 2002-0015 § 1 (part), 2002)

### **2.203.040 Contractor Jury Service Policy.**

A contractor shall have and adhere to a written policy that provides that its employees shall receive from the contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the contractor or that the contractor deduct from the employees' regular pay the fees received for jury service. (Ord. 2002-0015 § 1 (part), 2002)

### **2.203.050 Other Provisions.**

- A. Administration. The chief administrative officer shall be responsible for the administration of this chapter. The chief administrative officer may, with the advice of county counsel, issue interpretations of the provisions of this chapter and shall issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other county departments.
- B. Compliance Certification. At the time of seeking a contract, a contractor shall certify to the county that it has and adheres to a policy consistent with this chapter or will have and adhere to such a policy prior to award of the contract. (Ord. 2002-0015 § 1 (part), 2002)

### **2.203.060 Enforcement and Remedies.**

For a contractor's violation of any provision of this chapter, the county department head responsible for administering the contract may do one or more of the following:

1. Recommend to the Board of Supervisors the termination of the contract; and/or,
2. Pursuant to chapter 2.202, seek the debarment of the contractor. (Ord. 2002-0015 § 1 (part), 2002)



### **2.203.070. Exceptions.**

- A. Other Laws. This chapter shall not be interpreted or applied to any contractor or to any employee in a manner inconsistent with the laws of the United States or California.
- B. Collective Bargaining Agreements. This chapter shall be superseded by a collective bargaining agreement that expressly so provides.
- C. Small Business. This chapter shall not be applied to any contractor that meets all of the following:
  - 1. Has ten or fewer employees during the contract period; and,
  - 2. Has annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, are less than \$500,000; and,
  - 3. Is not an affiliate or subsidiary of a business dominant in its field of operation.

“Dominant in its field of operation” means having more than ten employees and annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, exceed \$500,000.

“Affiliate or subsidiary of a business dominant in its field of operation” means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation. (Ord. 2002-0015 § 1 (part), 2002)

### **2.203.090. Severability.**

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect. (Ord. 2002-0015 § 1 (part), 2002.

EXHIBIT I  
(SAFELY SURRENDERED BABY LAW FACT SHEET)

# *Safely* Surrendered



No shame. No blame. No names.

In Los Angeles County: 1-877-BABY SAFE • 1-877-222-9723

[www.babysafela.org](http://www.babysafela.org)



# Safely Surrendered Baby Law

## What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents or other persons, with lawful custody, which means anyone to whom the parent has given permission to confidentially surrender a baby. As long as the baby is three days (72 hours) of age or younger and has not been abused or neglected, the baby may be surrendered without fear of arrest or prosecution.

## How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially, and safely surrender a baby within three days (72 hours) of birth. The baby must be handed to an employee at a hospital or fire station in Los Angeles County. As long as the baby shows no sign of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, staff will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent or other surrendering adult.

## What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their baby within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

## Can only a parent bring in the baby?

No. While in most cases a parent will bring in the baby, the Law allows other people to bring in the baby if they have lawful custody.

## Does the parent or surrendering adult have to call before bringing in the baby?

No. A parent or surrendering adult can bring in a baby anytime, 24 hours a day, 7 days a week, as long as the parent or surrendering adult surrenders the baby to someone who works at the hospital or fire station.

## Does the parent or surrendering adult have to tell anything to the people taking the baby?

No. However, hospital or fire station personnel will ask the surrendering party to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the baby. The questionnaire includes a stamped return envelope and can be sent in at a later time.

## What happens to the baby?

The baby will be examined and given medical treatment. Upon release from the hospital, social workers immediately place the baby in a safe and loving home and begin the adoption process.

## What happens to the parent or surrendering adult?

Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

## Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned, hurt or killed by their parents. You may have heard tragic stories of babies left in dumpsters or public bathrooms. Their parents may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had no one or nowhere to turn for help, they abandoned their babies. Abandoning a baby is illegal and places the baby in extreme danger. Too often, it results in the baby's death. The Safely Surrendered Baby Law prevents this tragedy from ever happening again in California.

## A baby's story

Early in the morning on April 9, 2005, a healthy baby boy was safely surrendered to nurses at Harbor-UCLA Medical Center. The woman who brought the baby to the hospital identified herself as the baby's aunt and stated the baby's mother had asked her to bring the baby to the hospital on her behalf. The aunt was given a bracelet with a number matching the anklet placed on the baby; this would provide some identification in the event the mother changed her mind about surrendering the baby and wished to reclaim the baby in the 14-day period allowed by the Law. The aunt was also provided with a medical questionnaire and said she would have the mother complete and mail back in the stamped return envelope provided. The baby was examined by medical staff and pronounced healthy and full-term. He was placed with a loving family that had been approved to adopt him by the Department of Children and Family Services.





# *Ley de* Entrega de Bebés *Sin Peligro*



*Los recién nacidos pueden ser entregados en forma segura al personal de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles*

Sin pena. Sin culpa. Sin nombres.

En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723

[www.babysafela.org](http://www.babysafela.org)



# Ley de Entrega de Bebés Sin Peligro

## ¿Qué es la Ley de Entrega de Bebés sin Peligro?

La Ley de Entrega de Bebés sin Peligro de California permite la entrega confidencial de un recién nacido por parte de sus padres u otras personas con custodia legal, es decir cualquier persona a quien los padres le hayan dado permiso. Siempre que el bebé tenga tres días (72 horas) de vida o menos, y no haya sufrido abuso ni negligencia, pueden entregar al recién nacido sin temor de ser arrestados o procesados.

*Cada recién nacido se merece la oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmelo que tiene otras opciones. Hasta tres días (72 horas) después del nacimiento, se puede entregar un recién nacido al personal de cualquier hospital o cuartel de bomberos del condado de Los Angeles.*

## ¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura dentro de los tres días (72 horas) del nacimiento. El bebé debe ser entregado a un empleado de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazalete y el padre/madre o el adulto que lo entregue recibirá un brazalete igual.

## ¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden comenzar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Ángeles al 1-800-540-4000.

## ¿Sólo los padres podrán llevar al recién nacido?

No. Si bien en la mayoría de los casos son los padres los que llevan al bebé, la ley permite que otras personas lo hagan si tienen custodia legal.

## ¿Los padres o el adulto que entrega al bebé deben llamar antes de llevar al bebé?

No. El padre/madre o adulto puede llevar al bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, siempre y cuando entreguen a su bebé a un empleado del hospital o cuartel de bomberos.

## ¿Es necesario que el padre/madre o adulto diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital o cuartel de bomberos le pedirá a la persona que entregue al bebé que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para cuidar bien del bebé. El cuestionario incluye un sobre con el sello postal pagado para enviarlo en otro momento.

## ¿Qué pasará con el bebé?

El bebé será examinado y le brindarán atención médica. Cuando le den el alta del hospital, los trabajadores sociales inmediatamente ubicarán al bebé en un hogar seguro donde estará bien atendido, y se comenzará el proceso de adopción.

## ¿Qué pasará con el padre/madre o adulto que entregue al bebé?

Una vez que los padres o adulto hayan entregado al bebé al personal del hospital o cuartel de bomberos, pueden irse en cualquier momento.

## ¿Por qué se está haciendo esto en California? ?

La finalidad de la Ley de Entrega de Bebés sin Peligro es proteger a los bebés para que no sean abandonados, lastimados o muertos por sus padres. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Los padres de esos bebés probablemente hayan estado pasando por dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus bebés porque tenían miedo y no tenían nadie a quien pedir ayuda. El abandono de un recién nacido es ilegal y pone al bebé en una situación de peligro extremo. Muy a menudo el abandono provoca la muerte del bebé. La Ley de Entrega de Bebés sin Peligro impide que vuelva a suceder esta tragedia en California.

## Historia de un bebé

A la mañana temprano del día 9 de abril de 2005, se entregó un recién nacido saludable a las enfermeras del Harbor-UCLA Medical Center. La mujer que llevó el recién nacido al hospital se dio a conocer como la tía del bebé, y dijo que la madre le había pedido que llevara al bebé al hospital en su nombre. Le entregaron a la tía un brazalete con un número que coincidía con la pulsera del bebé; esto serviría como identificación en caso de que la madre cambiara de opinión con respecto a la entrega del bebé y decidiera recuperarlo dentro del período de 14 días que permite esta ley. También le dieron a la tía un cuestionario médico, y ella dijo que la madre lo llenaría y lo enviaría de vuelta dentro del sobre con franqueo pagado que le habían dado. El personal médico examinó al bebé y se determinó que estaba saludable y a término. El bebé fue ubicado con una buena familia que ya había sido aprobada para adoptarlo por el Departamento de Servicios para Niños y Familias.





## EXHIBIT J DEFINITIONS

**All definitions are listed in alphabetical order:**

- **Activities of Daily Living (ADL):** Activities usually performed for oneself in the course of a normal day including bathing, dressing, grooming, eating, walking, using the telephone, taking medications, and other personal care activities (for additional information see California Health and Safety Code 1569.2 (h)).
- **Advocacy:** The act of pleading or arguing in favor of something, such as a cause, idea, or policy; or providing active support. In terms of this Contract, advocacy takes the form of Ombudsman Representatives acting on behalf of Client who is not in the position to act on his/her own to assert Client's civil rights and maintain his/her dignity.
- **Area Agency on Aging (AAA):** Under the Older Americans Act (OAA Title 42, Chapter 35, Section 3001 et seq. of the U.S Code); see definition *below*), the Administration for Community Living (ACL) (formerly known as the Administration on Aging (AoA)), distributes funds for various aging programs through State Agencies on Aging which in turn fund local AAA. AAA addresses the concerns of older Americans at the local level. AAA plays an important role in identifying community and social service needs and assuring that social and nutritional supports are made available to Older Adults in communities where they live. In most cases, AAA does not provide direct services. Instead, they subcontract with other organizations to facilitate the provision of a full range of services for Older Adults.
- **Assessment:** A comprehensive and functionally oriented evaluation of a potential Client's situation and needs.
- **Authorized Representative:** The individual who has been given written authorization through a resolution, order or motion from Contractor's governing body to act on behalf of Contractor and bind the Contractor to the Contract.
- **Budget:** The document that sets forth the revenues to be received by Contractor and costs to be expended by Contractor for providing the services outlined in the Contract, segregating direct and indirect Costs for the work to be provided by the Contractor.
- **California Department of Aging (CDA):** The CDA is the State of California office that administers programs serving older individuals, adults with disabilities, family caregivers, and residents in long-term care facilities throughout the State. The CDA Administers funds allocated under the Federal Older Americans Act, the Older Californians Act, and through the

## EXHIBIT J DEFINITIONS

Medi-Cal program. The CDA contracts with the network of Area Agencies on Aging, who directly manage services that help older individuals.

- **Care Plan:** Service plan with the Older Individual to mobilize formal and informal resources and services identified in the assessment to meet the needs of the Older Individual. (OAA Title I, Section 102(11)(B)(ii))
- **Close-out Report:** A report due at the end of the fiscal year which documents the results of the activities performed.
- **Complaint:** An expression of displeasure or a statement of unhappiness/discontent about a situation. The expression may take the form of a verbal or written communication.
- **Contract:** The agreement executed between County and Contractor. It sets forth the terms and conditions for the issuance and performance of Exhibit A (Statement of Work).
- **Contract Funds:** The monies allocated to Contractor under the terms of this Contract as reflected in Paragraph 5.0 (Contract Sum). Contract Funds may also be referred to as Program Funds or Grant Funds.
- **Contractor:** The sole proprietor, partnership, or corporation that has entered into this Contract with County to perform or execute the work covered by Exhibit A (Statement of Work).
- **Contractor's Project Director:** The individual designated by Contractor to be responsible for Contractor's day-to-day activities as related to this Contract and shall coordinate with County's Contract Manager, County's Program Manager and County's Compliance Manager on a regular basis.
- **Cost Reimbursement Contract:** County will reimburse Contractor for Services which have already been provided by Contractor within the term of the Contract.
- **County:** Unless otherwise specified, "County" refers to County of Los Angeles Community and Senior Services, which has entered into this Contract (including its Exhibits) with Contractor.
- **County's Compliance Manager:** The individual responsible for conducting monitoring activities, verifying Contractor's compliance with the requirements of this Contract and overseeing the delivery of Services (see below for definition of Services).

## EXHIBIT J DEFINITIONS

- **County's Contract Manager:** The individual responsible for providing direction to Contractor in the areas relating to County policy, information requirements, and procedural requirements; making revisions which do not materially affect the terms and conditions of this Contract in accordance with Appendix A (Sample Contract) paragraph 9.9 Modifications; and act on behalf of County with respect to approval of subcontracts and subcontractor employees working on this Contract.
- **County's Program Manager:** The individual responsible to meet with Contractor's Project Director on a regular basis; and inspect any and all tasks, deliverables, goods, Services, or other work provided by or on behalf of Contractor.
- **Day(s):** Calendar day(s) unless otherwise specified. For the purposes of the Alzheimer's Day Care Services category, a day represents a minimum of four (4) hours.
- **Disability:** For purposes of this Contract, "Disability" is defined pursuant to OAA Title I, Section 102 (13), as a disability attributable to mental (psychiatric illnesses) or physical impairment, or a combination of mental and physical impairments, that result in substantial functional limitations in one (1) or more of the following areas of major life activity:
  - Self-care
  - Receptive and expressive language
  - Learning
  - Mobility
  - Self-direction
  - Capacity for independent living
  - Economic self-sufficiency
  - Cognitive functioning
  - Emotional adjustment
- **Elder Abuse:** Any knowing, intentional or negligent act by a caregiver or any other person that causes harm or a serious risk of harm to a vulnerable adult. The specificity of laws varies from state to state, but broadly defined, abuse may be physical, financial/fiduciary, psychological, emotional, sexual, exploitation, neglect, self-neglect, and abandonment.
- **Employee:** An individual who is hired by Contractor to provide services under the requirements of the Contract.
- **Financial Alignment (FA):** The Cal MediConnect demonstration is a joint effort between California's Medi-Cal program and the federal Medicare program. The goal is to promote coordinated delivery of medical, behavioral health, long-term institutional and home- and community-based



## EXHIBIT J DEFINITIONS

services through a single organized system to older adults and people with disabilities who are dually eligible for both Medi-Cal and Medicare. Cal MediConnect is part of the larger Coordinated Care Initiative (CCI) authorized pursuant to SB 1008 (Chapter 33, Statutes of 2012) and SB 1036 (Chapter 45, Statutes of 2012).

- **Fiscal Year:** The twelve (12) month period beginning July 1<sup>st</sup> and ending the following June 30<sup>th</sup>.
- **Greatest Economic Need:** Need for assistance resulting from an income level at or below the poverty line, as defined in California Welfare and Institutions Code (WIC) Section 9014.
- **Instrumental Activities of Daily Living (IADL):** Activities often performed by a person who is living independently in a community setting during the course of a normal day, such as managing money, shopping, telephone use, travel in community, housework, preparing meals, and taking medications correctly. (For additional information, see California Health and Safety Code 1569.2 (f)).
- **Medicare Improvements for Patients and Providers Act (MIPPA):** Congress passed the Medicare Improvements for Patients and Providers Act (MIPPA) (<http://www.gpo.gov/fdsys/pkg/PLAW-110publ275/pdf/PLAW-110publ275.pdf>) in 2008, in an effort to improve the Medicare Advantage (MA) plans and Part D savings plans.
- **Non-Responsive:** The failure of a Proposer to comply with all Solicitation requirements making the Proposal ineligible for consideration during the Evaluation process.
- **Older Americans Act (OAA):** Congress passed the Older Americans Act (OAA) ([http://www.aoa.gov/AoAroot/AoA\\_Programs/OAA/oa\\_full.asp](http://www.aoa.gov/AoAroot/AoA_Programs/OAA/oa_full.asp)) in 1965 in response to concern by policymakers about a lack of community social services for older persons. The original legislation established authority for grants to States for community planning and social services, research and development projects, and personnel training in the field of aging. The law also established the Administration for Community Living (ACL) (formerly known as the Administration on Aging (AoA)) to administer the newly created grant programs and to serve as the Federal focal point on matters concerning older persons.

Although older individuals may receive services under many other Federal programs, today the OAA is considered to be the major vehicle for the organization and delivery of social and nutrition services to this group and their caregivers. (California Welfare and Institution Code 18326).

## EXHIBIT J DEFINITIONS

- **Older Individual:** An individual who is sixty (60) years of age or older. (OAA Title I Section 102(a)(40))
- **Outcome Measures:** The standards used to determine the effectiveness of Contractor's program. It tests whether Contractor is achieving the goals of the program based on the results reported by Contractor.
- **Outreach:** A contact initiated by Contractor for the purpose of identifying potential clients, from underserved populations within each Supervisorial District served, in order to generate referrals to the Program.
- **Performance Requirements Summary (PRS) Chart:** The Contract document which provides the minimum required services of the Contract, and summarizes the key performance indicators that will be monitored during the Contract term. Contractor shall adhere to the requirements outlined therein. The Performance Requirements Summary Chart also lists examples of the types of documents that will be used during County's monitoring review of Contractor, as well as the standards of performance and the acceptable quality level of performance that Contractor shall meet.
- **Program:** Refers to the HICAP Services and operations for which Contractor receives funds under the terms of this Contract and agrees to provide Services in accordance with relevant State and/or Federal law, regulations and guidelines during the term of this Contract.
- **Program Income:** Gross income received by the grantee or subgrantee directly generated by the grant supported activity, or earned only as a result of the grant agreement during the grant period. Contract/Program funds are different than Program Income - Contract/Program funds are funds received from the County through an allocation while Program Income refers to funds that the Contractor generates on its own.
- **Rural:** Pursuant to the Administration for Community Living (ACL) (formerly known as the Administration on Aging (AoA)), rural includes any area that is not defined as urban where urban areas comprise: (1) urbanized areas (a central place and its adjacent densely settled territories with a combined minimum population of 50,000) and (2) an incorporated place or a census designated place with 20,000 or more inhabitants.
- **Senior Centers:** A vital link in the service delivery network which older individuals may avail themselves of, senior centers are functioning as meal sites, screening clinics, recreational centers, social service agency branch offices, mental health counseling clinics, older worker employment agencies, volunteer coordinating centers, and community meeting halls. Senior centers provide individuals a sense of belonging, offer the

## EXHIBIT J DEFINITIONS

opportunity to meet old acquaintances and make new friends, and encourage individuals to pursue activities of personal interest and involvement in the community.

- **Service(s):** The specific tasks to be provided (or the work to be performed) by Contractor under the terms of the Contract as described in Exhibit A (Statement of Work).
- **Service Delivery:** Includes those activities associated with the direct provision of a service which meets the needs of an Older Individual.
- **Staff:** Unless otherwise stated, refers to an individual or a group of individuals who are Contractor's Employee(s) and/or volunteers who provide services.
- **State Health Insurance and Assistance Programs (SHIP):** California HICAP is part of a national network of State Health Insurance and Assistance Programs (SHIP). SHIP is a Federal grant program that helps States enhance and support a network of local programs, staff, and volunteers. Local programs are charged with directly helping beneficiaries to understand how to use their Medicare benefits including Prescription Drug Plan coverage, Medicare Advantage plans, Medicare supplemental policies, Medicare Savings Programs, and long term care insurance. The Centers for Medicare and Medicaid (CMS) administers the SHIP grant programs nationally.
- **Subcontracting:** Written agreement between Contractor and third party agency to assign specific obligations of the Contract to third party agency and hold third party agency to the terms of Contract entered into by Contractor and County.
- **Supervision:** Overseeing the activities of a person.
- **Unduplicated Clients:** Any client who has never been previously registered as a Client for the service, either in the current fiscal year or a prior fiscal year by any Contractor funded with Older Americans Act (OAA) funds.
- **Unit of Measurement:** is the quantitative representation of the output (benefit/service) provided to the Older Individual; this measurement forms the basis upon which reimbursement is made to the Contractor. (California Department of Aging Program Memo PM 10-07(P)).
- **Unit of Service:** a measure of service to a Client.

## **EXHIBIT J DEFINITIONS**

- **Universal Intake Form (UIF):** The Universal Intake Form is a client intake form utilized by all Los Angeles County Community and Senior Services (CSS) AAA Programs. The form is used to enroll clients in AAA program services and captures client information required for reporting purposes.
- **Volunteer:** means an individual who provides services without pay, but may receive reimbursement for expenses. Volunteers may be part of Contractor's Staff, as defined above, but are not employees of Contractor or County.

## **EXHIBIT K (ACCOUNTING, ADMINISTRATION AND REPORTING REQUIREMENTS)**

The purpose of this Exhibit K is to establish required accounting, financial reporting, and internal control standards for Contractor.

The accounting, financial reporting and internal control standards described in this Exhibit K are minimums. These standards are not intended to be all inclusive or replace acceptable existing procedures or preclude the use of more sophisticated methods. Instead, this Exhibit K represents the minimum required procedures and controls that must be incorporated into Contractor's accounting and financial reporting systems. Contractor certifies that throughout the entirety of this Contract, it shall maintain the required level of staffing as outlined in this Contract. Therefore the internal control standards described herein are those that apply to Contractor's organization and Contractor shall comply with the intent of these standards and implement internal control systems in its performance of the Work hereunder. Contractor's subcontractors must also follow these standards unless otherwise stated in this Contract.

### **A. ACCOUNTING AND FINANCIAL REPORTING**

#### **1.0 Basis of Accounting**

Contractor shall maintain written financial and accounting procedures which incorporate Generally Accepted Accounting Principles and Contractor shall adhere to the requirements set forth therein. Contractor may elect to use either the accrual basis or cash basis method of accounting for recording financial transactions. Monthly invoices must be prepared on the same basis that is used for recording financial transactions. All financial reports required by County shall be prepared by Contractor using accrual information and shall be submitted as directed by County.

#### **1.1 County recommends the use of the accrual basis for recording financial transactions.**

##### **Accrual Basis**

Under the accrual basis, revenues are recorded in the accounting period in which they are earned (rather than when cash is received). Expenditures are recorded in the accounting period in which they are incurred (rather than when cash is disbursed).

## Accruals

Accruals shall be recorded observing the following:

- Only accruals where cash will be disbursed within six (6) months of the accrual date should be recorded.
- Recorded accruals must be reversed in the subsequent accounting period.

1.2 If Contractor elects to use the cash basis for recording financial transactions during the Fiscal Year:

- Necessary adjustments must be made to record the accruals at the beginning and the end of the Fiscal Year.
- All computations, supporting records, and explanatory notes used in converting from cash basis to the accrual basis must be retained.

1.3 Prepaid Expenses

Prepaid expenses (e.g., insurance, service agreements, lease agreements, etc.) should only be expensed during a given Contract Fiscal Year to the extent goods and Services are received during that Fiscal Year.

## ACCOUNTING SYSTEM

2.0 Contractor shall maintain a double entry accounting system (utilizing debits and credits) with a General Journal, a Cash Receipts Journal, a General Ledger, and a Cash Disbursements Journal. County recommends that a Payroll Register also be maintained. Postings to the General Ledger and Journals should be made on a monthly basis.

2.1 General Journal

A General Journal shall be maintained for recording adjusting entries, reversing entries, closing entries, and other financial transactions not normally recorded in the Cash Receipts Journal or Cash Disbursements Journal. Entries in the General Journal must be adequately documented, and entered in chronological order with sufficient explanatory notations.

Example:	DR	CR
Rent Expense	100	
Rent Payable		100

To record accrued rent to March 31, 20XX

## 2.2 Cash Receipts Journal

A Cash Receipts Journal shall be maintained for recording all cash receipts (e.g., County warrants, contributions, interest income, etc.). The Cash Receipts Journal shall contain the following column headings (minimum requirements):

- Date
- Receipt Number
- Cash Debit columns
- Income Credit columns for the following accounts:
  - County payments (one per funding source)
  - Contributions
  - Other Income (grants, sales of supplies/services, rental income, miscellaneous revenue, fees, etc.)
- Description (entries in the description column must specify the source of cash receipts)

## 2.3 Cash Disbursements Journal

A Cash Disbursements Journal shall be maintained for recording all cash disbursements (e.g., rent, utilities, maintenance, etc.)

The Cash Disbursements Journal shall contain the following column headings (minimum requirements):

- Date
- Check Number
- Cash (Credit) column
- Expense Account name
- Description

Note (1) Separate expense columns are recommended for salary expense and other recurring expense classifications for each Program.

Note (2) Entries in the description column must specify the nature of the expense and the corresponding expense classification if not included in the column heading.

Note (3) Checks should not be written to employees (other than payroll, mileage, travel, and petty cash custodian checks).

A Check Register may be substituted for the Cash Disbursements Journal, but this is not recommended. If used, the Check Register must contain the same expense classifications and description information required when a Cash Disbursements Journal is used.

Disbursements without supporting documentation will be disallowed on audit. Cancelled checks and credit card statements (VISA, AMEX, department store, etc.) will not constitute acceptable support. See Subsections A.3.2 (Supporting Documentation) and B.2.4 (Credit Cards) for additional guidance.

#### 2.4 General Ledger

A General Ledger shall be maintained with accounts for all assets, liabilities, fund balances, expenditures, and revenues. Separate accounts must be maintained for each Program's expenses and revenues.

#### 2.5 Chart of Accounts

A Chart of Accounts shall be maintained:

- County recommends that Contractor use the expense account titles on the monthly invoice submitted to County.
- If Contractor uses account titles which differ from the account titles on the monthly invoice, each account title must clearly identify the nature of the transaction(s) posted to the account.
- Contractor must consistently post transactions that are of a similar nature to the same account. For example, all expenses for travel shall be posted to the account titled "travel" or "travel expense" and not intermixed with other expense accounts.

#### 2.6 Payroll Register

County recommends that a Payroll Register be maintained for recording all payroll transactions. The Register should contain the following:



- Name
- Position
- Social Security Number
- Salary (hourly wage)
- Payment Record including:
  - accrual period
  - gross pay
  - itemized payroll deductions
  - net pay amount
  - check number

If a Payroll Register is not used, the information in this Sub-section 2.6 must be recorded in the Cash Disbursements Journal.

Contractor will ensure compliance with all applicable Federal and State requirements for withholding payroll taxes (FIT, FICA, FUTA, SIT, SIU, etc.), reporting, filing (941, DE-7, W-2, W-4 and 1099s), and all applicable tax deposits.

Contractor will ensure compliance with Internal Revenue Service guidelines in properly classifying employees and independent contractors.

## 2.7 Contractor Invoices

Contractor shall present an invoice to County each calendar month to report the financial activity of the month. In addition, if advanced funding is involved, an invoice shall be presented at the beginning of the Fiscal Year. Invoices shall be prepared in the manner prescribed by County.

## 3.0 Records

Adequate care shall be exercised to safeguard the accounting records and supporting documentation. Any destruction or theft of Contractor's accounting records or supporting documentation shall be immediately reported to County pursuant to the requirements outlined in Exhibit M (Purchase, Inventory and Disposal Requirements for Fixed and Non-Fixed Assets and Supplies), Section II.C (Loss, Destruction or Theft of Assets). If the allowability of expenditures cannot be determined because Contractor's records or documentation are non-existent or inadequate according to Generally Accepted Accounting Principles, the expenditures will be questioned during an audit/monitoring review and may be disallowed at the sole discretion of County or its Authorized Representative.

### 3.1 Retention

All accounting records (e.g., journals, ledgers, etc.), financial records and supporting documentation (e.g., invoices, receipts, checks, etc.) must be retained pursuant to the authorized retention period outlined in Paragraph 8.38 (Record Retention and Inspection/Audit Settlement) of this Contract.

### 3.2 Supporting Documentation

All revenues and expenditures shall be supported by original vouchers, invoices, receipts, or other documentation and shall be maintained in the manner described herein.

Invoices, receipts and canceled checks will be required to support an outlay of Contract Funds. Unsupported disbursements will be disallowed on audit. Contractor will be required to repay County for all disallowed costs. **Photocopied invoices or receipts, any internally generated documents (i.e., vouchers, request for check forms, requisitions, canceled checks, etc.), and account statements do not constitute supporting documentation for purchases.**

Supporting documentation is required for various types of expenditures as follows:

**Payroll** – time and attendance records signed by an employee and approved in writing by a supervisor; time distribution records by Program accounting for total work time on a daily basis for all employees; records showing actual expenditures for Social Security and unemployment insurance; State and Federal quarterly tax returns; Federal W-2 forms; and Federal W-4 forms.

**Consultant Services** – contracts, time and attendance records, billing rates, travel vouchers (detailing purpose, time and location of travel), purchase orders and invoices for supplies and invoices or other supporting documentation detailing the nature of services provided.

**Travel** – prior, written approval from County's Contract Manager for travel expenses related to providing Services under this Contract; written travel policies of Contractor; travel expense vouchers showing location, date and time of travel, purpose of trip, benefit(s) to the Program and rates claimed; vehicle mileage logs showing dates, destination and headquarters, purpose of trip, and mileage. Travel related to conferences should include conference literature detailing purpose of the conference and its applicability to the Work performed by Contractor hereunder.

Reimbursement rates for mileage shall not exceed applicable County guidelines.

Reimbursement for actual receipts or per diem rates for meal expenses shall not exceed the maximum County's reimbursement rate for employees.

Receipts shall be required for lodging for approved out-of-town travel dates. Maximum reimbursable lodging amount is the maximum County's reimbursement rate for employees for a single occupancy hotel accommodation.

**Operating Expenses** (e.g., utilities, office supplies, equipment rentals, etc.) – bona fide contracts or lease agreements, if any, and invoices and receipts detailing the cost and items purchased will constitute the primary supporting documentation. For internal control purposes, Contractor shall maintain vouchers, purchase orders, requisitions, stock received reports, bills of lading, etc.

**Outside Meals** - receipts and/or invoices for all meals, a record of the nature and purpose of each meal, and identification of the Client(s).

### 3.3 Payments to Affiliated Organizations or Persons

Contractor shall not make payments to affiliated organizations or persons for Program expenses (e.g., salaries, services, rent, etc.) that exceed the lower of actual cost or the reasonable cost for such expenses. A reasonable cost shall be the price that would be paid by one party to another when the parties are dealing at arm's length (fair market price).

Organizations or persons (related parties) related to Contractor or its members by blood, marriage, or through legal organization (corporation, partnership, association, etc.) will be considered affiliated for purposes of this Contract. County shall be solely responsible for the determination of affiliation unless otherwise allowed and approved by the State or Federal agencies.

Payments to affiliated organizations or persons will be disallowed on audit to the extent the payments exceed the lower of actual costs or the reasonable costs for such items.

### 3.4 Filing

All relevant supporting documentation for reported Program expenditures and revenues shall be filed in a systematic and consistent manner. It is recommended that supporting documents be filed as follows:

- checks – numerically
- invoices – vendor name and date
- vouchers – numerically
- receipts – chronologically
- timecards – pay period and alphabetically

### 3.5 Referencing

Accounting transactions posted to Contractor's books shall be appropriately cross-referenced to supporting documentation. It is recommended that expenditure transactions on Contractor's books be cross-referenced to the supporting documentation as follows:

- invoices – vender name and date
- checks – number
- vouchers –number
- revenue – receipt number

Supporting documentation for non-payroll expenditures (i.e., operating expenditures) should be cross-referenced to the corresponding check issued for payment. If multiple invoices are paid with one (1) check, all related invoices should be bound together and cross-referenced to the check issued for payment.

### 4.0 Donations and Other Sources of Revenue

Restricted donations and other sources of revenue earmarked specifically for this Contract must be utilized on allowable Contract expenditures.

### 5.0 Audits

Contractor will make available for inspection and audit to County and any of its duly Authorized Representatives (including State authorities, Federal agencies (including, but not limited to, Comptroller of the United States, Office of the Inspector General and General Accounting Office) and/or any of their duly authorized representatives), upon request, during County's hours of operation, throughout the duration of this Contract and for the authorized retention period outlined in Paragraph 8.38 (Record Retention and Inspection/Audit Settlement) of this Contract, all of its books and records relating to the operation of each project or business activity which is funded in whole or part with governmental monies, whether or not such monies are received through County. All such books and records shall be maintained at a location within Los Angeles County.

## B. INTERNAL CONTROLS

Internal controls safeguard Contractor's assets from misappropriations, misstatements or misuse. Contractor shall prepare necessary written procedures establishing internal controls for its staff. Contractor shall instruct all of its staff in these procedures and continuously monitor operations to ensure compliance with them.

### 1.0 Cash Receipts

#### 1.1. Separate Bank Account or Cost Center

All Contract Funds shall be maintained in a bank account. Contract Funds shall be used exclusively for Services funded under this Contract and shall not be commingled with any other monies of Contractor. If revenues from other sources are maintained in the same bank account, revenues for each source must be clearly identifiable on the accounting records through the use of cost centers or separate bank accounts.

#### 1.2 Deposits

All checks shall be restrictively endorsed upon receipt.

Cash received shall be recorded on pre-numbered receipts. Checks shall be recorded on a check remittance log at the time of receipt.

Cash receipts (i.e., cash and checks) totaling \$500 or more shall be deposited within one (1) day of receipt. Collections of less than \$500 may be held, and shall be secured and deposited weekly or when the total reaches \$500, whichever occurs first.

Duplicate deposit slips shall be retained and filed chronologically, and shall contain sufficient reference information for comparison to the Cash Receipts Journal (and individual receipts, if applicable).

#### 1.3 Separation of Duties

An employee who does not handle cash shall record all cash receipts.

#### 1.4 Bank Reconciliations

Bank statements should be received and reconciled by someone with no cash handling, check writing, or bookkeeping functions (bookkeeper).

Monthly bank reconciliations should be prepared within thirty (30) days of the bank statement date and reviewed by management for

appropriateness and accuracy. The bank reconciliations should be signed by both the preparer and the reviewer. Reconciling items should be resolved timely.

## 2.0 Disbursements

### 2.1 General

All disbursements for expenditures, other than petty cash, shall be made by check.

Blank check stock shall be secured and accounted for to preclude unauthorized use.

Checks shall not be payable to "cash" or signed in advance. Checks written to employees for reimbursement of out-of-pocket costs must be supported by receipts and invoices.

A second signature shall be required on all checks, unless otherwise authorized by County in writing.

If the bookkeeper signs checks, a second signature shall be required on the checks.

Voided checks shall be marked void with the signature block cut out. The voided checks must be filed with the cancelled checks.

Unclaimed or undelivered checks shall be cancelled periodically.

All supporting documentation shall be referenced to check numbers and marked "paid" or otherwise canceled to prevent reuse or duplicate payments.

Disbursements without adequate supporting documentation will be disallowed on audit.

### 2.2. Approvals and Separation of Duties

Employees responsible for approving cash disbursements and/or signing of checks shall examine all supporting documentation at the time the checks are approved and signed.

All disbursements, excluding petty cash purchases, shall be approved by persons independent of check preparation and bookkeeping activities.

### 2.3 Petty Cash

A petty cash fund up to \$500 may be maintained for payment of small incidental expenses incurred by Contractor (e.g., postage due, small purchases of office supply items, etc.). Contractor must obtain prior written approval from County's Contract Manager to establish a petty cash fund greater than \$500.

Petty cash disbursements must be supported by invoices, store receipts or other external authenticating documents indicating the item purchased and the employee making the purchase. In the event that outside (external) supporting documentation is not obtainable for minor disbursements (under \$10), such as parking meters, etc., then documentation shall be considered as proper supporting documentation on a basis of reasonableness. Petty cash disbursements should not be used as a substitute for normal purchasing and disbursement practices (i.e., payment by check).

The petty cash fund shall be maintained on an imprest basis. A check should be drawn to set up the fund and to make periodic reimbursements. Receipts, vouchers, etc., supporting each fund replenishment must be bound together, filed chronologically and cross referenced to the reimbursement check.

### 2.4 Credit Cards

The use of credit cards, both Contractor issued credit cards and an employee's personal credit cards used on behalf of Contractor, should be limited to purchases where normal purchasing and disbursement practices are not suitable.

Credit cards issued in Contractor's name must be adequately protected and usage monitored to ensure that only authorized and necessary items are purchased.

Credit card purchases should be pre-approved by Contractor management to ensure that they are reasonable and necessary.

All credit card disbursements must be supported by original invoices, store receipts or other external authenticating documents indicating the item purchased and the employee making the purchase. Credit card statements are not sufficient support for credit card purchases.

### 3.0 Timekeeping

#### 3.1 Timecards

Timecards or time reports must be prepared for each pay period. Timecards or time reports must indicate total hours worked each day by program and total hours charged to each of Contractor's programs. Time estimates do not qualify as support for payroll expenditures and will be disallowed on audit.

All timecards and time reports must be signed in ink by the employee and the employee's supervisor to certify the accuracy of the reported time.

#### 3.2 Personnel and Payroll Records

Adequate security must be maintained over personnel and payroll records with access restricted to authorized individuals. Contractor shall develop, maintain and adhere to its written personnel policies and procedures, wherein such procedures shall incorporate due process protection according to standard personnel practices.

Personnel and payroll records should include (but are not limited to) the following:

- Employee's authorized salary rate
- Employee information sheet
- Resume and/or application
- Proof of qualifications for the position, if required (e.g., notarized copy or original diploma, license, etc.)
- Performance evaluations
- Criminal record clearance
- Citizenship status
- Benefit balances (e.g., sick time, vacation, etc.)

#### 3.3 Benefit Balances

Employee benefit balances (e.g., sick time, vacation, personal time, etc.) should be maintained on at least a monthly basis. Benefit balances should be increased when benefit hours are earned and decreased as hours are used.



### 3.4 Limitations on Positions and Salaries

Contractor shall not pay any salaries which are higher than those authorized in this Contract, or the Exhibits thereto, including this Exhibit K, except as proscribed by State or Federal law.

When this Contract is for **Workforce Investment Act Program Services**, Contractor shall adhere to Public Law 109-234, as provided by the Employment Development Department (EDD) through its issuance of a directive. Contractor shall obtain the most current version of EDD's directive on salary and bonus limitations on-line using the following website address:  
[http://www.edd.ca.gov/Jobs\\_and\\_Training/Active\\_Directives.htm](http://www.edd.ca.gov/Jobs_and_Training/Active_Directives.htm).

For purposes of establishing a reasonable level of compensation for Contractor's employees, County may refer to the applicable Child Welfare League of America (CWLA) Salary Study.

If an employee serves in the same or dual capacities under more than one contract or program, the employee may not charge more than 100% of their time to the contracts or programs taken as a whole.

Salaried employees who work less than forty (40) hours per week shall be paid a salary that corresponds with the employee's work schedule.

The salary expense of salaried employees working on more than one (1) contract or program shall be allocated to each program based on the ratio of the number of hours worked on each program during the pay period to the total number hours worked during the pay period.

Contractor will make no retroactive salary adjustment for any employee without prior written approval from County's Contract Manager.

### 3.5 Separation of Duties

Payroll checks should be distributed by persons not involved in timekeeping, preparing of payroll, or reconciling bank accounts.

All employee hires, terminations or pay rate changes shall be approved in writing by authorized persons independent of payroll functions.

### 4.0 Bonding – All officers, employees, and agents who handle cash or have access to Contractor's funds shall be bonded pursuant to Paragraph 8.25 (Insurance Coverage) of this Contract.

## C. COST PRINCIPLES

### 1.0 Policy

It is the intent of County to provide funds to Contractor for the purpose of providing Services required by this Contract. Contractor shall use these Contract Funds on actual expenses in an economical and efficient manner and shall ensure that these expenditures are reasonable, proper, necessary and beneficial for the provision of Services hereunder.

1.1 Use of Federal grant funds/monies is governed by Office of Management and Budget (OMB) Circulars, which are codified in the in the Code of Federal Regulations (CFRs). When Contract Funds consist of Federal monies, Contractor shall ensure that these monies are used on expenditures that are allowable and allocable in accordance with the applicable OMB Circulars. In the event that Contract Funds, either in whole or in part, are not Federal monies, Contractor shall adhere to these same requirements that are provided in the OMB Circulars to govern Contractor's use of any non-Federal portion of Contract Funds.

1.2 There are six (6) OMB Circulars which provide specific requirements for the use of Contract Funds (and for purposes of this Contract, Contract Funds shall include both Federal and non-Federal monies). Contractor shall adhere to three (3) of these OMB Circulars, depending on Contractor's organization.

- **Non-Profit Organizations shall follow:**

- Cost Principles: OMB Circular A-122 (relocated to 2 CFR 230)
- Administrative Requirements: OMB Circular A-110 (relocated to 2 CFR 215) or 29 CFR 95
- Audit Requirements: OMB Circular A-133

- **Non-Profit Organizations which are listed in 2 CFR 230, Appendix C, shall follow:**

- Cost Principles: 48 CFR 31
- Administrative Requirements: OMB Circular A-110 (relocated to 2 CFR 215) or 29 CFR 95
- Audit Requirements: OMB Circular A-133

- **States, Local Governments and Indian Tribes shall follow:**
  - Cost Principles: OMB Circular A-87 (relocated to 2 CFR 225)
  - Administrative Requirements: OMB Circular A-102 or 29 CFR 97
  - Audit Requirements: OMB Circular A-133
- **Educational Institutions (even if part of a State or Local Government) shall follow:**
  - Cost Principles: OMB Circular A-21 (relocated to 2 CFR 220)
  - Administrative Requirements: OMB Circular A-110 (relocated to 2 CFR 215) or 29 CFR 95
  - Audit Requirements: OMB Circular A-133
- **Hospitals (both proprietary and non-profit) shall follow:**
  - Cost Principles: 45 CFR 74, Appendix E
  - Administrative Requirements: OMB Circular A-110 (relocated to 2 CFR 215) or 29 CFR 95
  - Audit Requirements: OMB Circular A-133

Contractor is responsible for obtaining the most recent version of the above referenced OMB Circulars and CFR provisions, which are available on-line at <http://www.whitehouse.gov/omb/circulars/index.html> and [www.ecfr.gov](http://www.ecfr.gov), respectively.

### 1.3 Limitations on Expenditures of Contract Funds

Contractor shall comply with this Contract and the applicable OMB Circulars and CFRs. The OMB Circulars and CFRs define direct and indirect costs, discuss allowable cost allocation procedures and the development of Indirect Cost Rates, and specifically address the allowability of a variety of different costs.

If Contractor is unsure of the allowability of any particular type of cost or individual cost, Contractor should request advance written approval from

County's Program Manager prior to incurring the cost. Any conflict or inconsistency between or among the requirements outlined within this Contract, Exhibit A (Statement of Work), this Exhibit K, OMB Circulars or CFRs shall be resolved by giving precedence as follows:

- OMB Circulars and CFRs
- Contract
- Exhibit A (Statement of Work)
- Exhibit K (Accounting, Administration and Reporting Requirements)

1.4 Expenses Incurred Outside the Contract Period

Expenses charged against Contract Funds may not be incurred prior to the effective date of this Contract, or subsequent to this Contract's expiration or termination date. Expenses charged against Contract Funds during any Fiscal Year period may not be incurred outside of that Fiscal Year period.

1.5 Budget Limitation

Expenses may not exceed the maximum limits shown on Exhibit B (Budget).

1.6 Unspent Funds

County will determine the disposition of unspent Contract Funds upon expiration or termination of this Contract and at the end of each Fiscal Year period.

1.7 Necessary, Proper and Reasonable

Only those expenditures that are necessary, proper and reasonable to carry out the purposes and activities of the Program are allowable. These expenditures must clearly evidence a benefit(s) to the Program.

2.0 Allocation of Cost Pools

When Contractor provides services in addition to the Services required under this Contract, Contractor shall allocate expenditures that benefit programs or funding sources on an equitable basis.

In accordance with the applicable OMB Circular and CFR, Contractor shall define its allocable costs as either direct or indirect costs (as defined in Sub-sections C.2.1 (Direct Costs) and C.2.2 (Indirect Costs) below) and shall allocate each cost using the basis that is most appropriate and feasible.

Contractor shall maintain documentation related to the allocation of expenses (e.g., timecards, time summaries, square footage measurements, number of employees, etc.).

Under no circumstances shall allocated costs be charged to an extent greater than 100% of actual costs nor shall the same cost be charged both directly and indirectly.

## 2.1 Direct Costs

Direct costs are those costs that can be identified specifically with a particular final cost objective (i.e., a particular program, service, or other direct activity of Contractor's organization). Examples of direct costs include salaries and benefits of employees working on the Program, supplies and other items purchased specifically for the Program, costs related to space used by employees working on the Program, etc.

For all employees, other than those employed in general or administrative positions, the hours spent on each program (activity) should be recorded on employees' timecards and the payroll expense should be treated as direct charges and distributed on the basis of recorded hours spent on each program.

Joint costs (i.e., costs that benefit more than one (1) program or activity) which can be distributed in reasonable proportion to the benefits received may also be direct costs.

Examples of bases for allocating joint costs as direct costs:

- Number of direct hours spent on each program
- Number of employees working in each program
- Square footage occupied by each program
- Other equitable methods of allocation

## 2.2 Indirect Costs

Indirect costs are those costs that have been incurred for common or joint objectives and cannot be readily identified with a particular final cost objective. Examples of indirect costs include salaries, employee benefits, supplies, and other costs related to general administration of Contractor's organization, and the salaries and expenses of executive officers, personnel administration, and accounting staff.

Examples of bases for allocating indirect costs:

- Total direct salaries and wages
- Total direct costs (excluding capital expenditures and other distorting items such as subcontractor payments)

### 2.3 Acceptable Indirect Cost Allocation Methods

OMB Circulars and CFRs describe the following allowable methods for allocating indirect costs:

- Simplified allocation method
- Direct allocation method
- Multiple allocation base method
- Negotiated indirect cost rate

#### Simplified Allocation Method

This method can be used when Contractor's major functions benefit from its indirect costs to approximately the same degree. Using this method, all allocable costs are considered indirect costs and an indirect cost rate is determined by dividing total allowable indirect costs by an equitable distribution base.

##### Example

Agency-wide indirect costs	\$250,000
Less: Capital expenditures	<u>10,000</u>
Allocable indirect costs	240,000
Total agency-wide indirect salaries	\$1,000,000
Indirect cost rate ( $\$240,000/\$1,000,000$ )	24%
Program direct salaries	\$100,000
Program indirect costs ( $24\% \times \$100,000$ )	<u>\$24,000</u>

#### Direct Allocation Method

This method can also be used when Contractor's major functions benefit from its indirect costs to approximately the same degree. Using this method, all costs except general administration and general expenses are treated as direct costs. Joint costs for rental, facilities maintenance, telephone, and other similar expenses are prorated individually to each direct activity on a basis appropriate for that type of cost.

The remaining costs, which consist exclusively of general administration and general expenses are then allocated using the simplified allocation method previously discussed.

#### Multiple Base Allocation Method

This method can be used when Contractor's major functions benefit from its indirect costs in varying degrees. Using this method, indirect costs are grouped to permit allocation of each grouping on the basis of the benefits provided to the major functions. Each grouping is then allocated individually using the basis most appropriate for the grouping being allocated.

#### Negotiated Indirect Cost Rates

Contractor has the option of negotiating an indirect cost rate or rates for use on all its Federal programs. Contractor must submit a Cost Allocation Plan to the Federal agency providing the majority of funds to Contractor's organization. The approved indirect cost rate is then applied to the total approved direct cost base.

If Contractor has a Federally approved indirect cost rate, Contractor shall submit a copy of the approval letter to County's Compliance Manager upon request.

### D. UNALLOWABLE COSTS

OMB Circulars and CFRs address the allowability of a variety of different costs. For all costs, there are certain restrictions and limitations; however, the following costs are not allowable under any circumstances:

- Bad debts
- Contingency provisions (exceptions may include self-insurance, pension funds and reserves for normal severance pay)
- Contributions and donations rendered
- Fines and penalties
- Fundraising activities
- Interest expense (unless expressly allowed by Federal guidelines)
- Losses on other awards

Additionally, Contractor shall not use Contract Funds to repay disallowed costs.

### E. REPORTING FRAUD, ABUSE, MISCONDUCT OR NON-COMPLIANCE

- 1.0 Contractor shall report suspected fraud (including welfare fraud), abuse, waste, or misuse of public monies, and misconduct of County personnel to

the Los Angeles County Fraud Hotline. Contractor shall also report suspected fraud, abuse, waste, or misuse of public monies, and misconduct committed by its employees, volunteers, and any subcontractors when that fraud affects its Contract with County. Reportable conditions of fraud include, but are not limited to:

- Requests for bribes/kickbacks/gratuities by County personnel
- Favoritism/nepotism in the awarding of County contracts, selection of vendors or hiring of Contractor's employees
- Theft or misuse of any funds, resources or equipment
- Falsification of records
- Violation of conflict of interest requirements; etc.

2.0 Failure to report the types of fraud/misconduct discussed above may be grounds for termination of this Contract as solely determined by County.

3.0 Reports can be made anonymously to the Los Angeles County Department of Auditor-Controller, Office of County Investigations as follows:

Website: [www.lacountyfraud.org](http://www.lacountyfraud.org)  
E-Mail Address: [Hotline@auditor.lacounty.gov](mailto:Hotline@auditor.lacounty.gov)  
Fraud Hotline: (800) 544-6861  
Fax: (213) 633-0991  
Mail: Office of County Investigations  
500 W. Temple St., Room 515  
Los Angeles, CA 90012

#### 4.0 User Complaint Report

4.1 County's staff shall complete the User Complaint Report (UCR) to report Contractor's non-compliance with the requirements of this Contract. Areas of Contractor's non-compliance includes, but is not limited to, the following:

- Contractor's Program Director or other staff not responding to messages/requests from County staff.
- Contractor's Project Director or other staff does not attend trainings/meetings required by County.
- Contractor staff changes without prior notification to the County.
- Illegal or inappropriate behavior by Contractor's staff.
- Contractor not submitting reports/documents or maintaining records as required.
- Contractor not complying with the quality assurance requirements as specified in this Contract.



- 4.2 County's Compliance Manager shall maintain the UCR, and it will be used to evaluate Contractor's performance of the requirements of this Contract in addition to being used as the basis for placing Contractor on probation, suspending payment, suspending this Contract, terminating this Contract or any other remedies that are available in this Contract. The UCR may also be used during County's solicitation process to evaluate Contractor's past performance on this Contract in addition to being used when Contractor requests a reference from County for purposes of applying for other grants.

**EXHIBIT L**  
**(JOINT FUNDING REVENUE DISCLOSURE)**

Contractor's Name

Contract Number

Name of Preparer (Print)

Date Prepared

Page \_\_\_\_\_ of \_\_\_\_\_

**List all revenue coming to Contractor (including foundation grants and donations). Use additional pages as necessary.**

Revenue Source (Agency or Organization Name, Contact Name and Phone Number)	Funding Amount	Funding Period	
		Start Date	End Date
PAGE TOTAL			
GRAND TOTAL OF ALL PAGES			

**EXHIBIT L**  
**(JOINT FUNDING REVENUE DISCLOSURE)**

Contractor's Name

Contract Number

Page \_\_\_\_\_ of \_\_\_\_\_

Revenue Source (Agency or Organization Name, Contact Name and Phone Number)	Funding Amount	Funding Period	
		Start Date	End Date
<b>PAGE TOTAL</b>			

**EXHIBIT M**  
**(PURCHASE, INVENTORY AND DISPOSAL REQUIREMENTS FOR FIXED AND**  
**NON-FIXED ASSETS AND SUPPLIES)**

I. DEFINITIONS OF FIXED AND NON-FIXED ASSETS AND SUPPLIES

A. A Fixed Asset is an item which meets all of the following attributes:

- 1.0 Includes, but is not limited to, property, plant, equipment, land, buildings, additions, attachments, improvements, betterments, machinery, vehicles, furniture, tools, intangibles, mineral resources, etc. which are not consumed/sold during the normal course of Contractor's business under this Contract and are used to carry out Contractor's operations.
- 2.0 Has a unit acquisition cost that is \$5,000 or more (e.g., four (4) identical assets, which cost \$3,000 each, totaling \$12,000 would not meet this requirement). Acquisition cost is the net invoice unit price of an item, including shipping costs and sales taxes, the cost of any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for the purpose for which it is acquired.
- 3.0 Has a normal useful life of at least one (1) year.
- 4.0 Is used to conduct business under this Contract.
- 5.0 Is either purchased with Contract Funds and/or was acquired by Contractor under a Predecessor Agreement for the same/similar purpose as this Contract. For purposes of this Contract, Predecessor Agreement shall mean a contract between County and Contractor that was executed prior to this Contract for the same/similar Program Services as this Contract.

B. A Non-Fixed Asset is an item which meets all of the following attributes:

- 1.0 Does not meet the requirements in Sub-sections I.A.1.0 – I.A.4.0, outlined above for Fixed Assets.
- 2.0 Has a unit acquisition cost that is less than \$5,000 but is at least \$500, or has a unit acquisition cost that is less than \$5,000 but is at least \$300 if it was purchased under a Predecessor Agreement for the same/similar purpose as this Contract.

- 3.0 Is either purchased with Contract Funds and/or was acquired by Contractor under a Predecessor Agreement for the same/similar purpose as this Contract.

C. Supplies are items which meet all of the following attributes:

- 1.0 Are goods, materials or other items which are consumed during the normal course of business and may include, but are not limited to, paper, pencils, printer cartridges, file folders, etc. (i.e., Supplies are items which are used in such a way that once used, they cannot be re-used or recovered afterward).
- 2.0 Have a unit acquisition cost that is less than \$500, or less than \$300 if purchased under a Predecessor Agreement for the same/similar purpose as this Contract.
- 3.0 Are necessary for Contractor to effectively and efficiently carry out the objectives, tasks and activities of the Program and provide Services to Clients.
- 4.0 Are either purchased with Contract Funds and/or were acquired by Contractor under a Predecessor Agreement for the same/similar purpose as this Contract.

D. Types of Fixed and Non-Fixed Assets

- 1.0 Additions and Attachments are products that typically involve physical extensions of existing units that are necessary to make these units usable for the purposes for which they are acquired, but do not involve renovations.
  - 1.1 An Addition or an Attachment is considered a Fixed Asset when its cost, combined with the cost of the unit it is attached to, along with its other characteristics, meet the definition of a Fixed Asset as set forth herein.
  - 1.2 Examples of Additions or Attachments include for example new rooms, new roof, or new heating, ventilation and air conditioning (HVAC) system added to an existing building, etc.
- 2.0 Improvements and Betterments are products that typically do not increase the physical size of the asset.

- 2.1 Improvements and Betterments enhance the condition of a unit (e.g., extend life, increase service capacity, and lower operating costs).
- 2.2 An Improvement or a Betterment is considered a Fixed Asset when the final cost of the unit being improved or bettered along with its other characteristics, meet the definition of a Fixed Asset as set forth herein.
- 2.3 Examples of Fixed Assets that might be improved and bettered include roads, bridges, curbs and gutters, tunnels, parking lots, streets and sidewalks, drainage and lighting systems.
- 3.0 Intangible Property can be either a Fixed or Non-Fixed Asset which lacks physical substance but gives valuable rights to the owner.
  - 3.1 The acquisition cost of the Intangible Property includes all amounts incurred to acquire and to ready the Asset for its intended use. Typical intangible property costs include the purchase price, legal fees, and other costs incurred to obtain title to the Asset.
  - 3.2 Examples of Intangible Property include, but are not limited to, patents, copyrights, leases, and computer software.
- 4.0 Hardware, which can be either a Fixed or Non-Fixed Asset, consists of tangible equipment including, but not limited to, computers, printers, terminals, etc.

## II. GENERAL REQUIREMENTS FOR FIXED AND NON-FIXED ASSETS AND SUPPLIES

- A. The following requirements are applicable to Fixed and Non-Fixed Assets (collectively "Assets") and Supplies. In some areas, the requirements are only applicable to Fixed and Non-Fixed Assets; however, Contractor shall exercise due diligence for the use and maintenance of Supplies when specific requirements are not addressed.

B. Management of Assets and Supplies

- 1.0 Contractor shall exercise due care in its use, maintenance, protection and preservation of Assets and Supplies to prevent misuse or theft.
- 2.0 Contractor shall not use Assets or Supplies for personal gain or to usurp the competitive advantage of a privately-owned business entity.
- 3.0 Contractor shall use Assets and Supplies for the purpose for which they are intended under this Contract. When no longer needed for that use, Contractor shall use them as prescribed in Section X (Disposal Requirements for Fixed and Non-Fixed Assets and Supplies), herein.
- 4.0 Contractor may share use of Assets or allow use by other programs upon written approval of County. As a condition of approval, County may require payment under this Contract for that use.

C. Loss, Destruction or Theft of Assets

- 1.0 Contractor shall promptly investigate, fully document, and report the loss, destruction or theft of Assets. Contractor shall report such loss, destruction or theft as follows:
  - 1.1 Contractor shall notify the local law enforcement agency with jurisdiction over the location of the crime by telephone (and confirmed in writing by filing a police report) within twenty-four (24) hours of occurrence or discovery of such incident(s).
  - 1.2 Contractor shall notify County's Contract Manager by telephone (and confirmed in writing) or by e-mail within five (5) business days of occurrence or discovery of such crime. Contractor shall prepare an Incident Report which shall be provided to County.
  - 1.3 Contractor's Incident Report of such loss shall contain at a minimum, the following elements:
    - 1.3.1 Identification of the Asset(s);
    - 1.3.2 Recorded value(s) of each Asset;
    - 1.3.3 Facts relating to the crime; and

1.3.4 Where appropriate, a copy of the police report.

1.4 Contractor shall retain the Incident Report pursuant to the requirements outlined in Paragraph 8.38 (Record Retention and Inspection/Audit Settlement) of this Contract.

2.0 Contractor agrees to indemnify County for any loss resulting from the use of any Assets.

3.0 Contractor shall assume responsibility for the replacement or repair of Assets during the period of the Program, until Contractor has complied with all written instructions from County regarding the final disposition of the Assets (as detailed in Section X (Disposal Requirements for Fixed and Non-Fixed Assets and Supplies), herein).

### III. DEPRECIATION AND CAPITALIZATION POLICY

- A. The following requirements are applicable only to Fixed and Non-Fixed Assets.
- B. Fixed and Non-Fixed Assets purchased with the Federal portion of Contract Funds and/or with Contractor's required matching contributions may not be depreciated or capitalized.
- C. Fixed and Non-Fixed Assets purchased with the non-Federal portion of Contract Funds, if any, may be capitalized and/or depreciated over the estimated useful lives of these Assets pursuant to Contractor's acquisition policies.

### IV. TITLE TO FIXED AND NON-FIXED ASSETS

- A. The following requirements are applicable only to Fixed and Non-Fixed Assets.
- B. Unless otherwise required by Federal or State laws or regulations, or as agreed upon in writing by the parties, Fixed and Non-Fixed Assets remain the property of County until such time as County approves the final disposition of the Fixed and Non-Fixed Assets (i.e., County retains title to all Fixed and Non-Fixed Assets used in the performance of this Contract).
- C. Unless otherwise required by Federal or State laws or regulations or as agreed upon in writing by the parties, Fixed and Non-Fixed Assets purchased under a Predecessor Agreement(s) remain the property of County until such time as County approves the final



disposition of the Fixed and Non-Fixed Assets (i.e., County retains title to all Fixed and Non-Fixed Assets purchased under a Predecessor Agreement).

## V. VEHICLES

- A. The following requirements are applicable only to Fixed and Non-Fixed Assets.
- B. Title to Vehicles (Fixed and Non-Fixed)
  - 1.0 County retains title to vehicles which are purchased with Contract Funds.
  - 2.0 County retains title to vehicles purchased with funds from Predecessor Agreements.
- C. Vehicles shall be registered in the name of Contractor only and shall include both vehicles which are purchased with Contract Funds, and those purchased under a Predecessor Agreement(s) and are currently in the possession of Contractor.
- D. Contractor shall provide current and adequate insurance covering all vehicle drivers pursuant to Paragraph 8.25 (Insurance Coverage) of this Contract; and each vehicle driver shall have a current, valid California driver's license.

## VI. GOVERNING REGULATIONS AND POLICIES

- A. Throughout this Exhibit M, references will be made to applicable Office of Management and Budget (OMB) Circulars or applicable Code of Federal Regulations (CFRs), which shall mean that Contractor shall follow the OMB Circulars and CFRs that apply to it based on the type of Program being funded through this Contract and the type of entity that best describes Contractor's organization (e.g., non-profit, local government, educational institution, etc.). The applicable OMB Circulars and CFRs are defined in Exhibit K (Accounting, Administration and Reporting Requirements).
  - 1.0 Contractor shall adhere to both administrative requirements and cost principles as detailed in the applicable OMB Circulars and CFRs as appropriate for Contractor's Program and organization.
  - 2.0 This Contract provides specific references to OMB Circulars, CFRs, rules, regulations, and the like; however, Contractor shall ensure that it follows all applicable laws, rules,

regulations, policies, procedures, etc. even if they are not specifically referenced herein.

3.0 The requirements herein are applicable only to Fixed and Non-Fixed Assets. However, Contractor shall exercise reasonable care in the use and maintenance of Supplies when specific requirements are not addressed.

B. In the event of any conflict or inconsistency between the requirements established in this Exhibit M and any of the governing OMB Circulars or CFRs, the conflict shall be resolved by giving precedence to the governing OMB Circulars or CFRs.

C. If this Contract indicates that Fixed and Non-Fixed Assets may be purchased, Contractor shall adhere to all Federal, State and County purchasing and fiscal policies, procedures and requirements. These policies include, but are not limited to:

1.0 The requirements of this Exhibit M.

2.0 Procurement Standards outlined in the OMB Circulars CFRs, as applicable to Contractor's Program and organization as described in Exhibit K (Accounting, Administration and Reporting Requirements).

3.0 Cost principles outlined in the OMB Circulars and CFRs, as applicable to Contractor's Program and organization as described in Exhibit K (Accounting, Administration and Reporting Requirements).

4.0 Additional requirements, which may be communicated to Contractor through County memorandum, directives, Change Notices, Contract Amendments, etc.

## VII. APPROVAL REQUIREMENTS

A. The following requirements are applicable only to Fixed and Non-Fixed Assets.

B. Necessary Prior Approval to Purchase Fixed Assets for Area Agency on Aging (AAA), Dispute Resolution Program, Adult Protective Services and Community Services American Indian Block Grant Programs

1.0 Prior to purchasing or acquiring Fixed Assets, Contractor must receive written approval from County authorizing the

purchase when Contractor will use more than \$5,000 of Contract Funds to purchase the Fixed Asset.

- 2.0 Prior approval is not required for the purchase of Non-Fixed Assets or Supplies. However, Contractor shall adhere to all of the other procurement policies governing the purchase of Non-Fixed Assets and supplies as outlined herein and according to applicable laws.
- 3.0 Upon receiving approval from County, Contractor shall ensure that all Fixed Asset purchases are approved by the Contractor's Board of Directors or its Authorized Representative, before completing a Fixed Asset purchase.
- 4.0 County's approval of Contractor's Budget does not constitute approval of the purchase of the Fixed Asset(s).
- 5.0 Examples
  - 5.1 If Contractor intends to purchase a \$5,700 Fixed Asset and will use \$2,500 of Contract Funds to purchase the Fixed Asset, prior approval is not required.
  - 5.2 If Contractor intends to purchase a \$5,700 Fixed Asset and will use \$5,700 of Contract Funds to purchase the Fixed Asset, prior approval is required.

C. Necessary Prior Approval to Purchase Fixed Assets for Workforce Investment Act (WIA) Programs

- 1.0 Prior to purchasing or acquiring Fixed Assets, Contractor must receive written approval from County authorizing the purchase when Contractor will use any portion of Contract Funds to purchase the Fixed Asset.
- 2.0 Prior approval is not required for the purchase of Non-Fixed Assets or Supplies. However, Contractor shall adhere to all of the other procurement policies governing the purchase of Non-Fixed Assets and supplies as outlined herein and according to applicable laws.
- 3.0 Contractor shall submit a separate request to County's Contract Management Manager following the instructions provided in WIA Directive number D-DWA-04-024/D-YTH-04-08 (dated August 24, 2004). Copies of this Directive are available on the Work Source California website, which may

be accessed using the following address:  
[http://www.worksourcecalifornia.com/information/wib\\_LAcounty.htm](http://www.worksourcecalifornia.com/information/wib_LAcounty.htm) (there is an underscore between *wib* and *LAcounty*).

4.0 County's approval of Contractor's Budget does not constitute approval of the purchase of the Fixed Asset(s).

5.0 Examples

5.1 If Contractor intends to purchase a \$4,500 Asset and will use \$2,500 of Contract Funds to purchase the Fixed Asset, prior approval is not required.

5.2 If Contractor intends to purchase a \$10,000 Asset and will use \$2,500 of Contract Funds to purchase the Fixed Asset, prior approval is required.

D. Necessary Prior Approval to Dispose of Fixed and Non-Fixed Assets

1.0 Contractor shall obtain prior written approval from County in order to sell, transfer, donate or otherwise dispose of Assets with a **current** market value over \$500 in the aggregate. The aggregate value is either the total value of a single item or the combined value of multiple items.

2.0 Contractor shall contact County's Contract Manager to obtain specific instructions for requesting prior approval from County and shall adhere to all County requirements for the disposal of these Assets.

3.0 Prior to the sale, transfer, donation or other disposal of all Assets consisting of electronic equipment with memory capability, Contractor shall notify County to ensure that the device's memory and/or any information stored in the memory is permanently removed, erased and cleared of all Contract and Program related records and information (or any information that would compromise Contractor's ability to adhere to the confidentiality requirements of this Contract, including Paragraph 7.5 (Confidentiality) of this Contract, Exhibit G (Contractor Acknowledgement and Confidentiality Agreement), and Exhibit P (Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA")) – if/when Exhibit P (Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA")) is included with this Contract.

E. Necessary Prior Approval to Use Program Income from Sales Revenue

- 1.0 Contractor shall obtain prior written approval from County for the use of Program Income derived from revenue earned after the sale of Assets pursuant to Exhibit K (Accounting, Administration and Reporting Requirements).

VIII. PURCHASE REQUIREMENTS FOR FIXED AND NON-FIXED ASSETS

A. The following requirements are applicable only to Fixed and Non-Fixed Assets. However, Contractor shall exercise due diligence for the purchase of Supplies when specific requirements are not addressed.

B. Cost Requirements

- 1.0 Contractor shall perform a cost or price analysis prior to the purchase of an Asset.

1.1 Cost analysis includes the review and evaluation of each element of cost to determine its reasonableness, allocability, and allowability. Contractor shall ensure that Assets are allowable and allocable pursuant to the cost principles outlined in applicable OMB Circulars and CFRs.

1.2 Price analysis includes the comparison of price quotations submitted, market prices, and similar indicia, together with discounts.

- 2.0 Contractor shall conduct an analysis of lease and purchase alternatives to determine the most economical and practical procurement method.

- 3.0 Contractor shall avoid purchasing unnecessary or duplicative items. Contractor shall ensure that the costs for Assets are reasonable and proper and that the Assets are necessary to carry out the purposes and activities of the Program (or are necessary and reasonable for the proper and efficient accomplishment of Program objectives).

- 4.0 Contractor shall ensure that all costs associated with the purchase of Assets are included in its total actual cost (i.e., the final cost of the Asset should include all amounts to be

incurred to acquire and to ready the Asset for its intended use). The total actual cost shall also include any deductions for cash discounts, rebates and allowances received by Contractor.

- 5.0 Contractor shall only charge the total actual cost of the Asset to this Contract. If the total actual cost of the Asset is allocable to multiple funding sources, the share of costs charged to this Contract shall not be charged by Contractor to another grant.

#### C. Competition

- 1.0 Contractor shall conduct all procurements for Assets in a manner that provides full, open and free competition consistent with the procurement standards outlined in the applicable OMB Circulars/CFRs.
- 2.0 Contractor shall ensure that it obtains a minimum of three (3) written competitive bids from the best known sources prior to purchasing the Asset(s).
- 3.0 Contractor shall avoid organizational conflicts of interest and non-competitive practices among vendors that may restrict or eliminate competition or otherwise restrain trade.
- 4.0 Contractor or Contractor's agent who develops or drafts specifications, requirements, statements of work, invitation for bids and/or request for proposals for the procurement of Assets shall be excluded from competing for such procurements.
- 5.0 Contractor shall select the vendor whose bid is most responsive to the requirements outlined in the solicitation.
- 6.0 Sole Source (Procurement by Non-competitive Proposal)
  - 6.1 Sole source procurement is the solicitation of a proposal from only one (1) source or after solicitation of a number of sources, competition is determined inadequate.
  - 6.2 Sole source procurement may only be used when the procurement is not feasible under the small purchase procedures, sealed bids or competitive proposals (as defined in applicable OMB Circulars and CFRs) and one of the following applies:

- 6.2.1 The Asset is available only from a single source.
  - 6.2.2 Public exigency or emergency for the Asset will not permit a delay resulting from a competitive solicitation.
  - 6.2.3 County provides written authorization for non-competitive procurement of the Asset.
  - 6.2.4 After solicitation of a number of sources, and with written approval from County, competition is determined inadequate.
- 7.0 Contractor shall ensure that solicitations for Assets provide:
  - 7.1 Clear and accurate description of the technical requirements for the Asset to be procured and such description shall not contain features which unduly restrict competition.
  - 7.2 Requirements which the bidder must fulfill and all other factors to be used in evaluating bids.
  - 7.3 Description of the functions to be performed/performance required, including the minimum acceptable standards, when practicable.
  - 7.4 Description of specific features of “brand name” products or an equivalent that bidders are required to meet when such items are included in the solicitation.
  - 7.5 Acceptance, to the extent possible and economically feasible, of Assets dimensioned in the metric system of measurement.
  - 7.6 Preference, to the extent possible and economically feasible, for Assets that conserve natural resources and protect the environment and are energy efficient.
- 8.0 Contractor shall make an effort to utilize small businesses, minority-owned firms and women’s business enterprises whenever possible, pursuant to the procurement procedures outlined in applicable OMB Circulars and CFRs.

D. Procurement Instrument

- 1.0 Contractor shall determine the type of procurement instrument to be used for the purchase, which may include purchase orders, fixed price contracts, cost reimbursable contracts, etc.
- 2.0 The procurement instrument shall promote the best interests of the Program.
- 3.0 “Cost-plus-a-percentage-of-cost” or “percentage of construction cost” methods of procurement shall not be used.

E. Documentation Requirements

- 1.0 Contractor shall maintain proper forms of documentation to demonstrate the significant history of the procurement for all Assets (e.g., requisitions, purchase orders, receipts, price quotes/vendor bids, etc.).
- 2.0 Contractor shall have written internal procurement procedures in place (including processes for vendor selection, requisition approval, etc.).
- 3.0 Contractor shall maintain documentation of its cost/price analysis and any sole source procurement.
- 4.0 Contractor’s Budget
  - 4.1 Contractor shall report Assets purchased with Contract Funds on the Budget (as defined in Exhibit J (Definitions)). Prior to reporting Assets on the Budget, Contractor shall receive written approval to purchase Assets as detailed in Section VII (Approval Requirements), herein.
  - 4.2 Assets purchased by Contractor shall match the Assets reported on the Budget.
  - 4.3 The total cost of Assets purchased shall not exceed the amounts reported on the Budget.
  - 4.4 In the event the actual purchase price is either more or less than the cost reported on the Budget, Contractor shall submit a Budget modification to County’s Contract Manager before the end of the Fiscal Year pursuant to Paragraph 9.9 (Modifications)



of this Contract. Contractor shall be liable for the cost of any Asset when that cost exceeds the amount approved by County for the purchase of the Asset.

5.0 Documentation Requirements for AAA Programs

5.1 In addition the documentation requirements outlined above, the following applies to AAA Programs:

5.1.1 Contractor shall submit supporting documents including, but not limited to, receipts, purchase orders, invoices, etc. for all Assets.

5.1.2 The supporting documents shall be submitted to County's Contract Manager at the same time that Contractor submits its invoice to County for the purchase.

F. Assets must be physically received prior to the end of the Fiscal Year during which they are purchased.

G. Assets purchased either wholly with the Federal share of Contract Funds and/or with any required Contractor matching contribution shall be charged directly to the Program.

IX. INVENTORY REQUIREMENTS FOR FIXED AND NON-FIXED ASSETS

A. The following requirements are applicable only to Fixed and Non-Fixed Assets. However, Contractor shall exercise reasonable care in the maintenance and tracking of Supplies.

B. Asset Bar Code Identification Tags

1.0 Contractor shall ensure that all Assets are properly identified with Asset Bar Code Identification tags. These tags shall provide a unique identifier for each Asset, which is used to track the Asset until its final disposition.

2.0 Contractor shall notify County's Contract Manager to obtain the Asset Bar Code Identification tags and County will affix the tags on each Asset.

C. Inventory Tracking

1.0 Every two (2) years, or more frequently as requested by County, Contractor shall conduct a physical inventory of all

Assets and reconcile the results with Contractor's Asset accounting records.

- 2.0 Contractor shall investigate any differences between quantities determined by the physical inspection and those shown in the accounting records to determine the causes of the difference.
- 3.0 As part of its inventory tracking, Contractor shall verify the existence, current utilization, and continued need for Assets.
- 4.0 Contractor shall inventory these Assets until the final disposition procedures have been completed for the Assets.

D. Inventory Reporting Using the Inventory Control Form and/or Inventory Letter

- 1.0 During any Fiscal Year in which Contractor purchases Assets, it shall report its inventory of those Assets to County. To this end, Contractor shall utilize Exhibit N (Inventory Control Form), as the mechanism to report these Assets, as further described in Sub-section IX.D.2.0 (Inventory Control Form), herein. During any Fiscal Year in which Contractor does not purchase any Assets, Contractor shall prepare an Inventory Letter in lieu of completing the Inventory Control Form, as further described in Subsection IX.D.3.0 (Inventory Letter), herein.
- 2.0 Inventory Control Form
  - 2.1 On an annual basis or more frequently as requested by County, Contractor shall complete Exhibit N (Inventory Control Form) to report its Assets and shall submit it to County's Contract Manager.
  - 2.2 Contractor shall maintain supporting records for all Assets reported on the Inventory Control Form including, but not limited to, receipts of purchase, purchase orders, etc.
  - 2.3 Contractor shall include such supporting records, which must be placed in sequential order (to match the order of the Assets listed on the Inventory Control Form) with the Inventory Control Form unless otherwise directed by County.

- 2.4 Contractor shall ensure that the information on the supporting records match the information reported on the Inventory Control Form.
- 2.5 Contractor shall complete the Inventory Control Form by reporting the following Assets:
  - 2.5.1 Assets purchased during prior Fiscal Years.
  - 2.5.2 Assets purchased under Predecessor Agreements.
  - 2.5.3 Assets which County has not authorized Contractor to dispose of (i.e., Contractor shall report all Assets on the Inventory Control Form until the final disposition procedures have been completed for the Assets).
- 2.6 If Contractor has multiple contracts with County, Contractor shall use a separate Inventory Control Form to report Assets for each contract.

### 3.0 Inventory Letter

- 3.1 On an annual basis or more frequently as requested by County, Contractor shall prepare the Inventory Letter, and shall submit it to County's Contract Manager. The Inventory Letter shall adhere to the following:
  - 3.1.1 It shall indicate that no Fixed or Non-Fixed Assets were purchased using Contract Funds during the prior Fiscal Year (and shall list the full term of the Fiscal Year; for example, July 1, 20XX – June 30, 20XX).
  - 3.1.2 It shall include Contractor's name, Contract number and the name of the Program.
  - 3.1.3 If Contractor has multiple Program components, Contractor shall prepare a separate Inventory Letter to report that no Assets were purchased for each Program component. For purposes of this Contract, the Program component is defined as the Work to be provided under this Contract which:

3.1.3.1 Has its own defined Services, Clients and other specific requirements as outlined in Exhibit A (Statement of Work); and,

3.1.3.2 Is funded with its own share of the Contract Funds.

3.1.4 The Inventory Letter shall be signed and dated by Contractor's Authorized Representative.

X. DISPOSAL REQUIREMENTS FOR FIXED AND NON-FIXED ASSETS AND SUPPLIES

A. The following requirements are applicable to Fixed and Non-Fixed Assets and Supplies. However, Contractor shall exercise due diligence to dispose of Supplies when specific requirements are not addressed.

B. Consistent with Federal and State regulations, Contractor may dispose of Assets and Supplies pursuant to the guidelines reflected herein and applicable OMB Circulars and CFRs.

C. For purposes of this Exhibit M, disposal shall include the sale, discarding, transfer, donation or trade-in or other disposal of Assets.

D. Only Assets that are considered Salvage or Surplus may be sold, transferred, donated or otherwise disposed of.

1.0 Salvage items include Assets which are either obsolete or broken/irreparable.

2.0 Surplus items are Assets which are no longer needed for the Program due to termination of this Contract, termination of the Program, dissolution of Contractor's operations, or other similar circumstances.

3.0 Contractor may sell, transfer, donate or otherwise dispose of Assets when these conditions are met:

3.1 Only after the Assets have first been offered and declined in writing by County.

3.2 The sale, transfer, donation or other disposal does not create a conflict of interest for County or Contractor (i.e., Contractor employees, or Contractor employees'

family members, businesses which employ or have a relationship with Contractor, employees or employees' family members, businesses conducting business with Contractor, and Clients, etc.).

E. Disposition upon Dissolution of Contractor or Termination of Contract

- 1.0 When the Program, for which Assets were purchased, has ended or after dissolution of Contractor's operations, County reserves the right to determine the final disposition of the Assets.
- 2.0 Disposition may include, but is not limited to, County taking possession of and acquiring the Assets.
- 3.0 Contractor shall prepare a final Inventory Control Form reflecting the Assets to be provided to County, and shall submit it to County's Contract Manager.
- 4.0 County reserves the right to require Contractor to transfer such Assets to another entity, including, but not limited to, County or the State.
- 5.0 To exercise the right referenced in Sub-section X.E.4.0, herein, County will issue specific written disposition instructions to Contractor no later than 140 days after termination of this Contract or notification of Contractor's dissolution.

F. Supplies

- 1.0 Contractor shall compensate County for its share of the residual inventory of unused Supplies if the **current** fair market value of the inventory exceeds \$500 or more in the aggregate when the items are no longer needed for either the Program or another Federally-funded program.
- 2.0 The aggregate value in this case is the total value of all remaining unused Supplies.

G. Current Fair Market Value

- 1.0 Contractor shall determine the current fair market value of all Assets being sold, transferred, disposed of or donated.

- 2.0 Contractor shall use one or more of the following methods/resources to determine the current fair market value:
  - 2.1 Orion Computer Blue Book
  - 2.2 Professional or expert appraisal
  - 2.3 Public advertisement
  - 2.4 Industry quotation
  - 2.5 Other similar methods/products

#### H. Sale of Assets

- 1.0 After receiving written approval from County for this action, Contractor may sell Assets, which meet the requirements outlined in Sub-sections X.D.1.0 – X.D.3.0, herein, as a method of disposing those Assets.
- 2.0 Contractor shall have proper sales procedures in place in order to sell Assets. These procedures shall provide for competition to the extent practicable and shall result in the highest possible return.
- 3.0 Contractor shall record all sales revenue information relating to the sale or disposition of the Assets. Revenue from the sale of Assets becomes Program Income and Contractor may be required to reimburse County for the revenue that is earned pursuant to Exhibit K (Accounting, Administration and Reporting Requirements).
- 4.0 After the sale of an Asset, Contractor shall prepare an updated Inventory Control Form and submit it to County within the timeframe to be specified by County. The updated Inventory Control Form shall reflect information on the Assets sold.
- 5.0 Contractor shall obtain receipts from the recipient of the sale item(s) acknowledging receipt of the sale item(s) and shall forward copies of the receipts to County's Contract Manager along with the completed Inventory Control Form.

#### I. Transfer of Assets

- 1.0 After receiving written approval from County to transfer Assets, which meet the requirements outlined in Sub-

sections X.D.1.0 – X.D.3.0, herein, Contractor may proceed with this action as a method of disposing those Assets.

2.0 Contractor shall transfer Assets according to this order:

2.1 To another program providing the same or similar service as that provided in this Contract.

2.2 To a State/Federally-funded program.

3.0 After the transfer of an Asset, Contractor shall prepare an updated Inventory Control Form and submit it to County's Contract Manager within the timeframe to be specified by County. The updated Inventory Control Form shall reflect information for the Assets transferred.

4.0 Contractor shall obtain receipts from the recipient of the transferred item(s) acknowledging receipt of the transferred item(s) and shall forward copies of the receipts to County's Contract Manager along with the completed Inventory Control Form.

J. Donation of Assets

1.0 After receiving written approval from County to donate Assets, which meet the requirements outlined in Sub-sections X.D.1.0 – X.D.3.0, herein, Contractor may proceed with this action as a method of disposing those Assets.

2.0 To donate Assets, Contractor shall:

2.1 Prepare an updated Inventory Control Form and submit it to County's Contract Manager within the timeframe to be specified by County. The updated Inventory Control Form shall reflect information for the Assets donated.

2.2 Obtain receipts from the recipient of the donated item(s) acknowledging receipt of the donated item(s) and shall forward copies of the receipts to County's Contract Manager along with the completed Inventory Control Form.

2.3 Obtain liability waiver(s) for donated items. Contractor shall be responsible for developing its own liability waiver, which should provide the following information, at a minimum:

- 2.3.1 Names and addresses of Contractor and recipient organization.
- 2.3.2 Complete description of Asset(s) being donated including, but not limited to, Asset Bar Code Identification tag number, Asset name and make/model, serial number, quantity and condition.
- 2.3.3 Date when donation was received by recipient organization.
- 2.3.4 Certification statement to be attested to by recipient organization releasing Contractor from all liability for donated Asset(s).
- 2.3.5 Name, signature and title of the recipient organization's Authorized Representative.

## XI. RECORDKEEPING

- A. Contractor shall maintain all Inventory Control Forms and all supporting records (including but not limited to invoices, receipts, purchase orders, etc.) for Assets and Supplies pursuant to Paragraph 8.38 (Record Retention and Inspection/Audit Settlement) of this Contract.
- B. Contractor shall make these documents available for collection and/or viewing by Federal, State and County authorities.



EXHIBIT N  
INVENTORY CONTROL FORM

Contractor's Name: \_\_\_\_\_ Contract Number: \_\_\_\_\_

Address: \_\_\_\_\_

Contract Services: \_\_\_\_\_ Fiscal Year: \_\_\_\_\_

Completed By: \_\_\_\_\_ Phone Number: \_\_\_\_\_ Title: \_\_\_\_\_

County Asset Bar Code ID Number	Funding Source (If multiple funding sources, indicate % split)	Description (Monitor, CPU, etc.)	Brand Name	Model Name or Model No.	Serial No.	Location of Asset	Assigned to (Name of Person)	Cond. of Asset*	Purchase Order No.	Purch. Date	Unit Price

I certify under penalty of perjury that a complete physical inventory has been conducted, the information provided on this form is correct to the best of my knowledge, and all purchases were made in accordance with the conditions of this Contract and are in compliance with local, State, and federal regulations.

\_\_\_\_\_  
Name of Authorized Representative

Signature

\_\_\_\_\_  
Title of Authorized Representative

Date

\* Provide condition of the asset upon its disposal, transfer or as requested by County. Condition descriptions: V=Very Good; G=Good; F=Fair; P=Poor; S=Salvage/disposed



**EXHIBIT O  
(CHARITABLE CONTRIBUTIONS CERTIFICATION)**

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Contractor's Name

---

Contract Number

---

Address

---

Internal Revenue Service Employer Number Identification Number

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California Registry of Charitable Trusts "CT" Number (if applicable)

The Nonprofit Integrity Act (Senate Bill 1262, Chapter 919) added requirements to California's Supervision of Trustees and Fundraisers for Charitable Purposes Act which regulates those receiving and raising charitable contributions.

**Check the certification below that is applicable to your organization:**

- ☐ Contractor has examined its activities and determined that it does not now receive or raise charitable contributions regulated under California's Supervision of Trustees and Fundraisers for Charitable Purposes Act. If Contractor engages in activities subjecting it to those laws during the term of this Contract, it will timely comply with them and provide County's Contract Manager a copy of its initial registration with the California State Attorney General's Registry of Charitable Trusts when filed.

**OR**

- ☐ Contractor is registered with the California Registry of Charitable Trusts under the CT number listed above and is in compliance with its registration and reporting requirements under California law. Attached is a copy of its most recent filing with the Registry of Charitable Trusts as required by Title 11 California Code of Regulations, Sections 300-301 and California Government Code Sections 12585-12586.

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Name of Authorized Representative (Print)

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Signature

---

Title of Authorized Representative (Print)

---

Date

**EXHIBIT P**  
**(BUSINESS ASSOCIATE AGREEMENT**  
**UNDER THE HEALTH INSURANCE PORTABILITY**  
**AND ACCOUNTABILITY ACT OF 1996 ("HIPAA"))**

County is a Covered Entity as defined by, and subject to the requirements and prohibitions of, the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (hereafter "HIPAA"), and regulations promulgated thereunder, including the Privacy, Security, Breach Notification, and Enforcement Rules at 45 Code of Federal Regulations (CFR) Parts 160 and 164 (collectively, the "HIPAA Rules").

Contractor performs or provides functions, activities or Services to County that require Contractor to create, access, receive, maintain, and/or transmit information that includes or that may include Protected Health Information, as defined by the HIPAA Rules, in order for Contractor to provide such functions, activities or Services. As such, Contractor is a Business Associate, as defined by the HIPAA Rules, and is therefore subject to those provisions of the HIPAA Rules that are applicable to Business Associates.

The HIPAA Rules require a written agreement (hereafter "Business Associate Agreement") between County and Contractor in order to mandate certain protections for the privacy and security of Protected Health Information, and these HIPAA Rules prohibit the disclosure to or use of Protected Health Information by Contractor if such an agreement is not in place.

This Business Associate Agreement and its provisions are intended to protect the privacy and provide for the security of Protected Health Information disclosed to or used by Contractor in compliance with the HIPAA Rules.

Therefore, the parties agree as follows:

**1. DEFINITIONS**

- 1.1 "Breach" has the same meaning as the term "breach" at 45 CFR 164.402.
- 1.2 "Business Associate" has the same meaning as the term "business associate" at 45 CFR 160.103. For the convenience of the parties, a "business associate" is a person or entity, other than a member of the workforce of covered entity, who performs functions or activities on behalf of, or provides certain Services to, a covered entity that involve access by the business associate to Protected Health Information. A "business associate" also is a subcontractor that creates, receives, maintains, or transmits Protected Health Information on behalf of another business

associate. And in reference to the party to this Business Associate Agreement, "Business Associate" shall mean Contractor.

- 1.3 "Covered Entity" has the same meaning as the term "covered entity" at 45 CFR 160.103, and in reference to the party to this Business Associate Agreement, "Covered Entity" shall mean County.
- 1.4 "Data Aggregation" has the same meaning as the term "data aggregation" at 45 CFR 164.501.
- 1.5 "De-identification" refers to the de-identification standard at 45 CFR 164.514.
- 1.6 "Designated Record Set" has the same meaning as the term "designated record set" at 45 CFR 164.501.
- 1.7 "Disclose" and "Disclosure" mean, with respect to Protected Health Information, the release, transfer, provision of access to, or divulging in any other manner of Protected Health Information outside Business Associate's internal operations or to other than its workforce. (See 45 CFR 160.103.)
- 1.8 "Electronic Health Record" means an electronic record of health-related information on an individual that is created, gathered, managed, and consulted by authorized health care clinicians and staff. (See 42 United States Code (USC) 17921.)
- 1.9 "Electronic Media" has the same meaning as the term "electronic media" at 45 CFR 160.103. For the convenience of the parties, electronic media means: (1) Electronic storage material on which data is or may be recorded electronically, including, for example, devices in computers (hard drives) and any removable/transportable digital memory medium, such as magnetic tape or disk, optical disk, or digital memory card; or (2) Transmission media used to exchange information already in electronic storage media. Transmission media include, for example, the Internet, extranet or intranet, leased lines, dial-up lines, private networks, and the physical movement of removable/transportable electronic storage media. Certain transmissions, including those of paper (via facsimile) and of voice (via telephone), are not considered to be transmissions via electronic media if the information being exchanged did not exist in electronic form immediately before the transmission.
- 1.10 "Electronic Protected Health Information" has the same meaning as the term "electronic protected health information" at 45 CFR 160.103, limited to Protected Health Information created or received by Business Associate

from or on behalf of Covered Entity. For the convenience of the parties, Electronic Protected Health Information means Protected Health Information that is: (i) transmitted by electronic media; or (ii) maintained in electronic media.

- 1.11 "Health Care Operations" has the same meaning as the term "health care operations" at 45 CFR 164.501.
- 1.12 "Individual" has the same meaning as the term "individual" at 45 CFR 160.103. For the convenience of the parties, Individual means the person who is the subject of Protected Health Information and shall include a person who qualifies as a personal representative in accordance with 45 CFR 164.502 (g).
- 1.13 "Law Enforcement Official" has the same meaning as the term "law enforcement official" at 45 CFR 164.103.
- 1.14 "Minimum Necessary" refers to the minimum necessary standard at 45 CFR 162.502 (b).
- 1.15 "Protected Health Information" has the same meaning as the term "protected health information" at 45 CFR 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity. For the convenience of the parties, Protected Health Information includes information that: (i) relates to the past, present or future physical or mental health or condition of an Individual; the provision of health care to an Individual, or the past, present or future payment for the provision of health care to an Individual; (ii) identifies the Individual (or for which there is a reasonable basis for believing that the information can be used to identify the Individual); and (iii) is created, received, maintained, or transmitted by Business Associate from or on behalf of Covered Entity, and includes Protected Health Information that is made accessible to Business Associate by Covered Entity. "Protected Health Information" includes Electronic Protected Health Information.
- 1.16 "Required by Law" has the same meaning as the term "required by law" at 45 CFR 164.103.
- 1.17 "Secretary" has the same meaning as the term "secretary" at 45 CFR 160.103.
- 1.18 "Security Incident" has the same meaning as the term "security incident" at 45 CFR 164.304.

- 1.19 "Services" means, unless otherwise specified, those functions, activities, or services in the applicable underlying Agreement, Contract, Master Agreement, Work Order, or Purchase Order or other service arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.
- 1.20 "Subcontractor" has the same meaning as the term "subcontractor" at 45 CFR 160.103.
- 1.21 "Unsecured Protected Health Information" has the same meaning as the term "unsecured protected health information" at 45 CFR 164.402.
- 1.22 "Use" or "Uses" means, with respect to Protected Health Information, the sharing, employment, application, utilization, examination or analysis of such Information within Business Associate's internal operations. (See 45 CFR 164.103.).
- 1.23 Terms used, but not otherwise defined in this Business Associate Agreement, have the same meaning as those terms in the HIPAA Rules.

## **2. PERMITTED AND REQUIRED USES AND DISCLOSURES OF PROTECTED HEALTH INFORMATION**

- 2.1 Business Associate may only Use and/or Disclose Protected Health Information as necessary to perform Services, and/or as necessary to comply with the obligations of this Business Associate Agreement.
- 2.2 Business Associate may Use Protected Health Information for de-identification of the information if de-identification of the information is required to provide Services.
- 2.3 Business Associate may Use or Disclose Protected Health Information as Required by Law.
- 2.4 Business Associate shall make Uses and Disclosures and requests for Protected Health Information consistent with Covered Entity's applicable Minimum Necessary policies and procedures.
- 2.5 Business Associate may Use Protected Health Information as necessary for the proper management and administration of its business or to carry out its legal responsibilities.
- 2.6 Business Associate may Disclose Protected Health Information as necessary for the proper management and administration of its business or to carry out its legal responsibilities, provided the Disclosure is

Required by Law or Business Associate obtains reasonable assurances from the person to whom the Protected Health Information is disclosed (i.e., the recipient) that it will be held confidentially and Used or further Disclosed only as Required by Law or for the purposes for which it was disclosed to the recipient and the recipient notifies Business Associate of any instances of which it is aware in which the confidentiality of the Protected Health Information has been breached.

- 2.7 Business Associate may provide Data Aggregation services relating to Covered Entity's Health Care Operations if such Data Aggregation services are necessary in order to provide Services.

**3. PROHIBITED USES AND DISCLOSURES OF PROTECTED HEALTH INFORMATION**

- 3.1 Business Associate shall not Use or Disclose Protected Health Information other than as permitted or required by this Business Associate Agreement or as Required by Law.
- 3.2 Business Associate shall not Use or Disclose Protected Health Information in a manner that would violate 45 CFR 164 Subpart E if done by Covered Entity, except for the specific Uses and Disclosures set forth in Sections 2.5 and 2.6.
- 3.3 Business Associate shall not Use or Disclose Protected Health Information for de-identification of the information except as set forth in Section 2.2.

**4. OBLIGATIONS TO SAFEGUARD PROTECTED HEALTH INFORMATION**

- 4.1 Business Associate shall implement, use, and maintain appropriate safeguards to prevent the Use or Disclosure of Protected Health Information other than as provided for by this Business Associate Agreement.
- 4.2 Business Associate shall comply with 45 CFR 164 Subpart C with respect to Electronic Protected Health Information, to prevent the Use or Disclosure of such information other than as provided for by this Business Associate Agreement.

**5. REPORTING NON-PERMITTED USES OR DISCLOSURES, SECURITY INCIDENTS, AND BREACHES OF UNSECURED PROTECTED HEALTH INFORMATION**

- 5.1 Business Associate shall report to Covered Entity any Use or Disclosure of Protected Health Information not permitted by this Business Associate



Agreement, any Security Incident, and/ or any Breach of Unsecured Protected Health Information as further described in Sections 5.1.1, 5.1.2, and 5.1.3.

5.1.1 Business Associate shall report to Covered Entity any Use or Disclosure of Protected Health Information by Business Associate, its employees, representatives, agents or Subcontractors not provided for by this Agreement of which Business Associate becomes aware.

5.1.2 Business Associate shall report to Covered Entity any Security Incident of which Business Associate becomes aware.

5.1.3. Business Associate shall report to Covered Entity any Breach by Business Associate, its employees, representatives, agents, workforce members, or Subcontractors of Unsecured Protected Health Information that is known to Business Associate or, by exercising reasonable diligence, would have been known to Business Associate. Business Associate shall be deemed to have knowledge of a Breach of Unsecured Protected Health Information if the Breach is known, or by exercising reasonable diligence would have been known, to any person, other than the person committing the Breach, who is an employee, officer, or other agent of Business Associate, including a Subcontractor, as determined in accordance with the federal common law of agency.

5.2 Except as provided in Section 5.3, for any reporting required by Section 5.1, Business Associate shall provide, to the extent available, all information required by, and within the timeframes specified in, Sections 5.2.1 and 5.2.2.

5.2.1 Business Associate shall make an immediate telephonic report upon discovery of the non-permitted Use or Disclosure of Protected Health Information, Security Incident or Breach of Unsecured Protected Health Information to **(562) 940-3335** that minimally includes:

- (a) A brief description of what happened, including the date of the non-permitted Use or Disclosure, Security Incident, or Breach and the date of Discovery of the non-permitted Use or Disclosure, Security Incident, or Breach, if known;
- (b) The number of Individuals whose Protected Health Information is involved;

- (c) A description of the specific type of Protected Health Information involved in the non-permitted Use or Disclosure, Security Incident, or Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code or other types of information were involved);
- (d) The name and contact information for a person who is highly knowledgeable about the facts and circumstances of the non-permitted Use or Disclosure of Protected Health Information, Security Incident, or Breach

5.2.2 Business Associate shall make a written report without unreasonable delay and in no event shall the report be completed and submitted to the Chief Privacy Officer later than three (3) business days from the date of discovery by Business Associate of the non-permitted Use or Disclosure of Protected Health Information, Security Incident, or Breach of Unsecured Protected Health Information. Such written report shall be submitted to the Chief Privacy Officer by mail or e-mail as follows: **Chief Privacy Officer, Kenneth Hahn Hall of Administration, 500 West Temple Street, Suite 525, Los Angeles, California 90012; or [HIPAA@auditor.lacounty.gov](mailto:HIPAA@auditor.lacounty.gov)**. To the extent possible, the written report shall include:

- (a) A brief description of what happened, including the date of the non-permitted Use or Disclosure, Security Incident, or Breach and the date of Discovery of the non-permitted Use or Disclosure, Security Incident, or Breach, if known;
- (b) The number of Individuals whose Protected Health Information is involved;
- (c) A description of the specific type of Protected Health Information involved in the non-permitted Use or Disclosure, Security Incident, or Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code or other types of information were involved);
- (d) The identification of each Individual whose Unsecured Protected Health Information has been, or is reasonably believed by Business Associate to have been, accessed, acquired, Used, or Disclosed;

- (e) Any other information necessary to conduct an assessment of whether notification to the Individual(s) under 45 CFR 164.404 is required;
- (f) Any steps Business Associate believes that the Individual(s) could take to protect him or herself from potential harm from the non-permitted Use or Disclosure, Security Incident, or Breach;
- (g) A brief description of what Business Associate is doing to investigate, to mitigate harm to the Individual(s), and to protect against any further similar occurrences; and
- (h) The name and contact information for a person who is highly knowledgeable about the facts and circumstances of the non-permitted Use or Disclosure of Protected Health Information, Security Incident, or Breach.

5.2.3 If Business Associate is not able to provide the information specified in Section 5.2.1 or 5.2.2 at the time of the required report, Business Associate shall provide such information promptly thereafter as such information becomes available.

5.3 Business Associate may delay the notification required by Section 5.1.3, if a law enforcement official states to Business Associate that notification would impede a criminal investigation or cause damage to national security.

5.3.1 If the law enforcement official's statement is in writing and specifies the time for which a delay is required, Business Associate shall delay its reporting and/or notification obligation(s) for the time period specified by the official.

5.3.2 If the statement is made orally, Business Associate shall document the statement, including the identity of the official making the statement, and delay its reporting and/or notification obligation(s) temporarily and no longer than thirty (30) days from the date of the oral statement, unless a written statement as described in Section 5.3.1 is submitted during that time.

## **6. WRITTEN ASSURANCES OF SUBCONTRACTORS**

6.1 In accordance with 45 CFR 164.502 (e)(1)(ii) and 45 CFR 164.308 (b)(2), if applicable, Business Associate shall ensure that any Subcontractor that creates, receives, maintains, or transmits Protected Health Information on

behalf of Business Associate is made aware of its status as a Business Associate with respect to such information and that Subcontractor agrees in writing to the same restrictions, conditions, and requirements that apply to Business Associate with respect to such information ("Subcontractor Business Associate Agreement").

- 6.2 Business Associate shall take reasonable steps to cure any material breach or violation by Subcontractor of the agreement required by Section 6.1 (Subcontractor Business Associate Agreement).
- 6.3 If the steps required by Section 6.2 do not cure the breach or end the violation, Business Associate shall terminate, if feasible, any arrangement with Subcontractor by which Subcontractor creates, receives, maintains, or transmits Protected Health Information on behalf of Business Associate.
- 6.4 If neither cure nor termination as set forth in Sections 6.2 and 6.3 is feasible, Business Associate shall immediately notify Covered Entity by contacting County's Compliance Manager.
- 6.5 Without limiting the requirements of Section 6.1, the Subcontractor Business Associate Agreement shall require Subcontractor to contemporaneously notify Covered Entity in the event of a Breach of Unsecured Protected Health Information by contacting County's Compliance Manager.
- 6.6 Without limiting the requirements of Section 6.1, the Subcontractor Business Associate Agreement shall include a provision requiring Subcontractor to destroy, or in the alternative to return to Business Associate, any Protected Health Information created, received, maintained, or transmitted by Subcontractor on behalf of Business Associate so as to enable Business Associate to comply with the provisions of Section 18.4.
- 6.7 Business Associate shall provide to Covered Entity, at Covered Entity's request, a copy of any and all Subcontractor Business Associate Agreements required by Section 6.1.
- 6.8 Sections 6.1 and 6.7 are not intended by the parties to limit in any way the scope of Business Associate's obligations related to Subcontracts or Subcontracting in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

## **7. ACCESS TO PROTECTED HEALTH INFORMATION**

- 7.1 To the extent Covered Entity determines that Protected Health Information is maintained by Business Associate or its agents or Subcontractors in a Designated Record Set, Business Associate shall, within two (2) business days after receipt of a request from Covered Entity, make the Protected Health Information specified by Covered Entity available to the Individual(s) identified by Covered Entity as being entitled to access and shall provide such Individuals(s) or other person(s) designated by Covered Entity with a copy the specified Protected Health Information, in order for Covered Entity to meet the requirements of 45 CFR 164.524.
- 7.2 If any Individual requests access to Protected Health Information directly from Business Associate or its agents or Subcontractors, Business Associate shall notify Covered Entity's County Contract Manager in writing within two (2) days of the receipt of the request. Whether access shall be provided or denied shall be determined by Covered Entity.
- 7.3 To the extent that Business Associate maintains Protected Health Information that is subject to access as set forth above in one or more Designated Record Sets electronically and if the Individual requests an electronic copy of such information, Business Associate shall provide the Individual with access to the Protected Health Information in the electronic form and format requested by the Individual, if it is readily producible in such form and format; or, if not, the information shall be provided in a readable electronic form and format as agreed to by Covered Entity and the Individual.

## **8. AMENDMENT OF PROTECTED HEALTH INFORMATION**

- 8.1 To the extent Covered Entity determines that any Protected Health Information is maintained by Business Associate or its agents or Subcontractors in a Designated Record Set, Business Associate shall, within ten (10) business days after receipt of a written request from Covered Entity, make any amendments to such Protected Health Information that are requested by Covered Entity, in order for Covered Entity to meet the requirements of 45 CFR 164.526.
- 8.2 If any Individual requests an amendment to Protected Health Information directly from Business Associate or its agents or Subcontractors, Business Associate shall notify Covered Entity's County Contract Manager in writing within five (5) days of the receipt of the request. Whether an amendment shall be granted or denied shall be determined by Covered Entity.

## **9. ACCOUNTING OF DISCLOSURES OF PROTECTED HEALTH INFORMATION**

9.1 Business Associate shall maintain an accounting of each Disclosure of Protected Health Information made by Business Associate or its employees, agents, representatives or Subcontractors, as is determined by Covered Entity to be necessary in order to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 CFR 164.528.

9.1.1 Any accounting of disclosures provided by Business Associate under Section 9.1 shall include:

- (a) The date of the Disclosure;
- (b) The name, and address if known, of the entity or person who received the Protected Health Information;
- (c) A brief description of the Protected Health Information Disclosed; and
- (d) A brief statement of the purpose of the Disclosure.

9.1.2 For each Disclosure that could require an accounting under Section 9.1, Business Associate shall document the information specified in Section 9.1.1, and shall maintain the information for six (6) years from the date of the Disclosure.

9.2 Within ten (10) business days after receipt of a written request from Covered Entity, Business Associate shall provide information collected in accordance with Section 9.1.1 to Covered Entity's County Contract Manager to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 CFR 164.528.

9.3 If any Individual requests an accounting of disclosures directly from Business Associate or its agents or Subcontractors, Business Associate shall notify Covered Entity's County Contract Manager in writing within five (5) days of the receipt of the request, and shall provide the requested accounting of disclosures to the Individual(s) within 30 days. The information provided in the accounting shall be in accordance with 45 CFR 164.528.

**10. COMPLIANCE WITH APPLICABLE HIPAA RULES**

- 10.1 To the extent Business Associate is to carry out one or more of Covered Entity's obligation(s) under 45 CFR 164 Subpart E, Business Associate shall comply with the requirements of Subpart E that apply to Covered Entity's performance of such obligation(s).
- 10.2 Business Associate shall comply with all HIPAA Rules applicable to Business Associate in the performance of Services.

**11. AVAILABILITY OF RECORDS**

- 11.1 Business Associate shall make its internal practices, books, and records relating to the Use and Disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of Covered Entity available to the Secretary for purposes of determining Covered Entity's compliance with the Privacy and Security Regulations.
- 11.2 Unless prohibited by the Secretary, Business Associate shall immediately notify Covered Entity's County Contract Manager of any requests made by the Secretary and provide Covered Entity's County Contract Manager with copies of any documents produced in response to such request.

**12. MITIGATION OF HARMFUL EFFECTS**

- 12.1 Business Associate shall mitigate, to the extent practicable, any harmful effect of a Use or Disclosure of Protected Health Information by Business Associate in violation of the requirements of this Business Associate Agreement that is known to Business Associate.

**13. BREACH NOTIFICATION TO INDIVIDUALS**

- 13.1 Business Associate shall, to the extent Covered Entity determines that there has been a Breach of Unsecured Protected Health Information by Business Associate, its employees, representatives, agents or Subcontractors, provide breach notification to the Individual in a manner that permits Covered Entity to comply with its obligations under 45 CFR 164.404.
  - 13.1.1 Business Associate shall notify, subject to the review and approval of Covered Entity, each Individual whose Unsecured Protected Health Information has been, or is reasonably believed to have been, accessed, acquired, Used, or Disclosed as a result of any such Breach.

13.1.2 The notification provided by Business Associate shall be written in plain language, shall be subject to review and approval by Covered Entity, and shall include, to the extent possible:

- (a) A brief description of what happened, including the date of the Breach and the date of the Discovery of the Breach, if known;
- (b) A description of the types of Unsecured Protected Health Information that were involved in the Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code, or other types of information were involved);
- (c) Any steps the Individual should take to protect himself or herself from potential harm resulting from the Breach;
- (d) A brief description of what Business Associate is doing to investigate the Breach, to mitigate harm to Individual(s), and to protect against any further Breaches; and
- (e) Contact procedures for Individual(s) to ask questions or learn additional information, which shall include a toll-free telephone number, an e-mail address, Web site, or postal address.

13.2 Covered Entity, in its sole discretion, may elect to provide the notification required by Section 13.1 and/or to establish the contact procedures described in Section 13.1.2.

13.3 Business Associate shall reimburse Covered Entity any and all costs incurred by Covered Entity, in complying with 45 CFR 164 Subpart D, including but not limited to costs of notification, internet posting, or media publication, as a result of Business Associate's Breach of Unsecured Protected Health Information; Covered Entity shall not be responsible for any costs incurred by Business Associate in providing the notification required by Section 13.1 or in establishing the contact procedures required by Section 13.1.2.

#### **14. INDEMNIFICATION**

14.1 Business Associate shall indemnify, defend, and hold harmless Covered Entity, its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, expenses (including attorney and



expert witness fees), and penalties and/or fines (including regulatory penalties and/or fines), arising from or connected with Business Associate's acts and/or omissions arising from and/or relating to this Business Associate Agreement, including, but not limited to, compliance and/or enforcement actions and/or activities, whether formal or informal, by the Secretary or by the Attorney General of the State of California.

- 14.2 Section 14.1 is not intended by the parties to limit in any way the scope of Business Associate's obligations related to Insurance and/or Indemnification in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

## **15. OBLIGATIONS OF COVERED ENTITY**

- 15.1 Covered Entity shall notify Business Associate of any current or future restrictions or limitations on the Use or Disclosure of Protected Health Information that would affect Business Associate's performance of the Services, and Business Associate shall thereafter restrict or limit its own Uses and Disclosures accordingly.
- 15.2 Covered Entity shall not request Business Associate to Use or Disclose Protected Health Information in any manner that would not be permissible under 45 CFR 164 Subpart E if done by Covered Entity, except to the extent that Business Associate may Use or Disclose Protected Health Information as provided in Sections 2.3, 2.5, and 2.6.

## **16. TERM**

- 16.1 Unless sooner terminated as set forth in Section 17, the term of this Business Associate Agreement shall be the same as the term of the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other service arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.
- 16.2 Notwithstanding Section 16.1, Business Associate's obligations under Sections 11, 14, and 18 shall survive the termination or expiration of this Business Associate Agreement.

## **17. TERMINATION FOR CAUSE**

- 17.1 In addition to and notwithstanding the termination provisions set forth in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without

payment, that gives rise to Contractor's status as a Business Associate, if either party determines that the other party has violated a material term of this Business Associate Agreement, and the breaching party has not cured the breach or ended the violation within the time specified by the non-breaching party, which shall be reasonable given the nature of the breach and/or violation, the non-breaching party may terminate this Business Associate Agreement.

- 17.2 In addition to and notwithstanding the termination provisions set forth in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, if either party determines that the other party has violated a material term of this Business Associate Agreement, and cure is not feasible, the non-breaching party may terminate this Business Associate Agreement immediately.

**18. DISPOSITION OF PROTECTED HEALTH INFORMATION UPON TERMINATION OR EXPIRATION**

- 18.1 Except as provided in Section 18.3, upon termination for any reason or expiration of this Business Associate Agreement, Business Associate shall return or, if agreed to by Covered entity, shall destroy as provided for in Section 18.2, all Protected Health Information received from Covered Entity, or created, maintained, or received by Business Associate on behalf of Covered Entity, that Business Associate, including any Subcontractor, still maintains in any form. Business Associate shall not retain any copies of the Protected Health Information.
- 18.2 Destruction for purposes of Section 18.2 and Section 6.6 shall mean that media on which the Protected Health Information is stored or recorded has been destroyed and/or electronic media have been cleared, purged, or destroyed in accordance with the use of a technology or methodology specified by the Secretary in guidance for rendering Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals.
- 18.3 Notwithstanding Section 18.1, in the event that return or destruction of Protected Health Information is not feasible or Business Associate determines that any such Protected Health Information is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities, Business Associate may retain that Protected Health Information for which destruction or return is infeasible or that Protected Health Information which is necessary for Business Associate to continue its proper management and administration or to

carry out its legal responsibilities and shall return or destroy all other Protected Health Information.

18.3.1 Business Associate shall extend the protections of this Business Associate Agreement to such Protected Health Information, including continuing to use appropriate safeguards and continuing to comply with 45 CFR 164 Subpart C with respect to Electronic Protected Health Information, to prevent the Use or Disclosure of such information other than as provided for in Sections 2.5 and 2.6 for so long as such Protected Health Information is retained, and Business Associate shall not Use or Disclose such Protected Health Information other than for the purposes for which such Protected Health Information was retained.

18.3.2 Business Associate shall return or, if agreed to by Covered Entity, destroy the Protected Health Information retained by Business Associate when it is no longer needed by Business Associate for Business Associate's proper management and administration or to carry out its legal responsibilities.

18.4 Business Associate shall ensure that all Protected Health Information created, maintained, or received by Subcontractors is returned or, if agreed to by Covered Entity, destroyed as provided for in Section 18.2.

## **19. AUDIT, INSPECTION, AND EXAMINATION**

19.1 Covered Entity reserves the right to conduct a reasonable inspection of the facilities, systems, information systems, books, records, agreements, and policies and procedures relating to the Use or Disclosure of Protected Health Information for the purpose determining whether Business Associate is in compliance with the terms of this Business Associate Agreement and any non-compliance may be a basis for termination of this Business Associate Agreement and the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, as provided for in Section 17.

19.2 Covered Entity and Business Associate shall mutually agree in advance upon the scope, timing, and location of any such inspection.

19.3 At Business Associate's request, and to the extent permitted by law, Covered Entity shall execute a nondisclosure agreement, upon terms and conditions mutually agreed to by the parties.

- 19.4 That Covered Entity inspects, fails to inspect, or has the right to inspect as provided for in Section 19.1 does not relieve Business Associate of its responsibility to comply with this Business Associate Agreement and/or the HIPAA Rules or impose on Covered Entity any responsibility for Business Associate's compliance with any applicable HIPAA Rules.
- 19.5 Covered Entity's failure to detect, its detection but failure to notify Business Associate, or its detection but failure to require remediation by Business Associate of an unsatisfactory practice by Business Associate, shall not constitute acceptance of such practice or a waiver of Covered Entity's enforcement rights under this Business Associate Agreement or the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.
- 19.6 Section 19.1 is not intended by the parties to limit in any way the scope of Business Associate's obligations related to Inspection and/or Audit and/or similar review in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

## **20. MISCELLANEOUS PROVISIONS**

- 20.1 Disclaimer. Covered Entity makes no warranty or representation that compliance by Business Associate with the terms and conditions of this Business Associate Agreement will be adequate or satisfactory to meet the business needs or legal obligations of Business Associate.
- 20.2 HIPAA Requirements. The parties agree that the provisions under the HIPAA Rules that are required by law to be incorporated into this Business Associate Agreement are hereby incorporated into this Agreement.
- 20.3 No Third-Party Beneficiaries. Nothing in this Business Associate Agreement shall confer upon any person other than the parties and their respective successors or assigns any rights, remedies, obligations, or liabilities whatsoever.
- 20.4 Construction. In the event that a provision of this Business Associate Agreement is contrary to a provision of the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, the provision of this Business Associate Agreement shall control. Otherwise, this Business Associate Agreement shall be construed under, and in accordance with, the terms of

the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

- 20.5 Regulatory References. A reference in this Business Associate Agreement to a section in the HIPAA Rules means the section as in effect or as amended.
- 20.6 Interpretation. Any ambiguity in this Business Associate Agreement shall be resolved in favor of a meaning that permits the parties to comply with the HIPAA Rules.
- 20.7 Amendment. The parties agree to take such action as is necessary to amend this Business Associate Agreement from time to time as is necessary for Covered Entity or Business Associate to comply with the requirements of the HIPAA Rules and any other privacy laws governing Protected Health Information.

**EXHIBIT Q**  
**(CERTIFICATION OF COMPLIANCE WITH COUNTY'S**  
**DEFAULTED PROPERTY TAX REDUCTION PROGRAM)**

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Contractor's Name

---

Contract Number

---

Address

---

Telephone Number

---

E-Mail Address

---

Contract Services

Contractor certifies that:

- ☐ It is familiar with the terms of the County of Los Angeles Defaulted Property Tax Reduction Program, Los Angeles County Code Chapter 2.206; **and**

To the best of its knowledge, after a reasonable inquiry, Contractor is not in default, as that term is defined in Los Angeles County Code Section 2.206.020.E, on any Los Angeles County property tax obligation; **and**

It agrees to comply with County's Defaulted Property Tax Reduction Program during the term of this Contract.

**- OR -**

- ☐ It is exempt from the County of Los Angeles Defaulted Property Tax Reduction Program, pursuant to Los Angeles County Code Section 2.206.060, for the following reason:

On behalf of Contractor's organization, I declare under penalty of perjury under the laws of the State of California that the information stated above is true and correct.

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Name of Authorized Representative (Print)

---

Signature

---

Title of Authorized Representative (Print)

---

Date

**EXHIBIT R**  
**(CONTRACT MANAGEMENT SYSTEM – CONTRACTOR’S GATEWAY**  
**TERMS AND CONDITIONS OF USE)**

- 1.0 County has developed the Contract Management System – Contractor’s Gateway (hereafter “System”), an automated system designed to electronically manage this Contract. County has implemented the System and Contractor shall use the System to perform its administrative contracting functions as directed by County.
- 2.0 County has established policies concerning the access, use and maintenance of the System. Contractor shall adhere to these policies, which include this Exhibit R (hereafter “Terms and Conditions of Use”), the Contract Management System-Contractor’s Gateway User Acknowledgement Agreement (“User Acknowledgement Agreement”), instruction guides/tutorials provided by County, training sessions conducted by County, etc. Contractor’s non-compliance with these policies may subject Contractor to denial of access to the System, suspension of payment(s), termination of this Contract, and/or other actions which County may take at its sole discretion.
- 3.0 System Access and Control
  - 3.1. Contractor shall access the System using the following Uniform Resource Locator (URL) link:  
[https://gateway.css.lacounty.gov:4443/OA\\_HTML/AppsLogin](https://gateway.css.lacounty.gov:4443/OA_HTML/AppsLogin) (please note there is an underscore between “OA” and “HTML” in the URL).
  - 3.2. Contractor shall ensure that data that is accessed using County information technology resources must be used for County authorized purposes and must not be disclosed to others without County’s prior written authorization or unless required by Federal, State or Program regulations.
  - 3.3. Unauthorized access by Contractor to any County information technology resource, including the System, network, software application programs, data files, and restricted work areas is prohibited.
  - 3.4. Accessing the System During Non-Business Hours
    - 3.4.1. County recommends that Contractor does not access the System during non-business hours in order to allow County to provide technical assistance when requested from Users (who are defined in Section 5.0 (User Accounts), herein).
    - 3.4.2. For purposes of this Terms and Conditions of Use, non-business hours are defined as the days and times that are outside of the traditional work week (where the traditional work week is

recognized as Monday – Friday, 8:00 a.m. to 5:00 p.m.). The traditional work week does not include County-recognized holidays.

- 3.4.3. Generally, County-recognized holidays are the same as Federally-recognized holidays such as January 1<sup>st</sup>, July 4<sup>th</sup>, December 25<sup>th</sup>, etc. of each year. Contractor may obtain a current list of County-recognized holidays from County's Contract Manager.

#### 4.0 System Protocols and Security

- 4.1. Digital communications that occur between Contractor and County within the System are conducted over a secure network, which has been established by County using Secure Socket Layer technology, one of the most robust encryption platforms available.
- 4.2. The System's URL provides an assurance to County and Contractor that accessing and using the System are done securely. A Web browser in secure mode will display a URL address beginning with "<https://>" rather than the standard "<http://>", where the "s" in "<https://>" stands for "secure".
- 4.3. County has established these secure, standard protocols which encrypt data across publicly used Internet connections.
- 4.4. County will make every effort to provide standard Internet-level performance while Users utilize the System. Contractor shall contact County when it experiences any disruptions in services by following the guidelines established in Sub-section 8.2, herein.

#### 5.0 User Accounts

##### 5.1. Designation of Users

- 5.1.1. Contractor shall designate Contractor Employees (Users) who shall be responsible for operating the System on Contractor's behalf.
- 5.1.2. For purposes of this Terms and Conditions of Use, a Contractor Employee is defined as a staff member on Contractor's payroll who works on this Contract.
- 5.1.3. Contractor shall obtain prior approval from County to designate an account for each User who accesses the System. Contractor shall follow the instruction guides/tutorials provided by County and the general guidelines outlined in Sub-section 5.5 (Requesting User Accounts), herein, for requesting, creating and designating User accounts.



## 5.2. User Account Classification

5.2.1. User accounts are classified as either View-Only or Administrative. Contractor shall designate a classification for each User when requesting approval for a User account.

5.2.2. There are two (2) types of User account classifications:

5.2.2.1. View-Only User: A User who can access the System to view all Contract documents and agency information.

5.2.2.2. Administrative User: A User who can access the System to view all Contract documents and agency information, submit Contract documents to County, update Contractor's administrative information, receive automated System alerts/notices (when designated as the contact person for this responsibility), and perform other functions as defined by County.

## 5.3. Active and Inactive User Accounts

5.3.1. An active User account is defined as a User who has an approved, current, valid account, which does not have an inactive or termination date in the System. This User can access the System and perform functions based on his/her account classification (as defined in Sub-section 5.2 (User Account Classification), herein).

5.3.2. An inactive User account is defined as a User whose account profile has been assigned an inactive or termination date and User can no longer access the System.

5.4. Contractor shall designate and maintain a minimum of two (2) active Users (up to a maximum of four (4) active Users) at all times as follows:

5.4.1. Contractor shall designate at least one (1) Administrative User at the level of Contractor's Project Director.

5.4.2. Contractor shall designate at least one (1) User who has delegated authority to execute this Contract. This User shall be at the level of the Executive Director and may be classified as either a View-Only User or an Administrative User.

5.4.3. One of the two Users shall be designated as the responsible contact who shall receive and respond to System generated alerts/notices pertaining to Contract Document Deliverables (e.g., insurance certificates, business licenses, permits, etc.).

## 5.5. Requesting User Accounts

5.5.1. Contractor shall obtain prior approval from County in order to establish User accounts in the System. Contractor shall follow these general guidelines to obtain County's approval:

5.5.1.1. Contractor shall review its Employees, assess each of their responsibilities, and determine which Employee(s) should have a User account in the System.

5.5.1.2. Contractor shall provide the Employee with the User Acknowledgement Agreement, and the Employee shall read and complete the form. Contractor's Authorized Representative shall review and sign the form. Contractor shall ensure that the User Acknowledgement Agreement is completed for each Employee that will receive a User account.

5.5.1.3. Contractor shall ensure that the completed User Acknowledgement Agreement is attached/saved in the System as a Contract Document Deliverable (on the General Page of the Administration tab) prior to requesting and being granted access to the System by County.

5.5.1.4. Contractor shall create a profile for each User in the System.

5.5.1.5. Upon County's receipt of the User profile submitted by Contractor, County will review User's profile and Employee's completed User Acknowledgement Agreement.

5.5.1.6. County will inform Contractor whether the User account has been approved or rejected.

## 5.5.2. Approved and Rejected User Accounts

5.5.2.1. Upon approval of Contractor's request for a User account, County will provide User with a unique User Name (logon/System identifier) and a default password.

5.5.2.1.1. User shall be responsible for changing his/her password when prompted by the System.

5.5.2.1.2. User may begin accessing the System immediately.

5.5.2.2. Upon rejection of Contractor's request for a User account, County will follow-up with Contractor to discuss the reason(s) for rejecting Contractor's request for a User account.

5.5.3. Contractor's Assurances Upon Creating User Accounts

5.5.3.1. Contractor is responsible for the conduct of all Users who access and utilize the System. Contractor shall ensure that Contractor and its Users adhere to this Terms and Conditions of Use, the User Acknowledgement Agreement, instruction guides/tutorials provided by County, training sessions conducted by County, etc. which establish the policies under which the Users shall operate the System.

5.5.3.2. Contractor shall ensure that each User's copy of the User Acknowledgement Agreement forms are saved in the System as a Contract Document Deliverable. Contractor shall not delete any User Acknowledgement Agreement forms from the System without County's written prior approval.

5.5.3.3. Contractor shall ensure that all Users receive and maintain current copies of all instruction guides/tutorials for using the System, which are developed by County and provided to Contractor.

5.6. User Name and Password

5.6.1. Contractor shall ensure that its Users do not share their unique User Name and password with any other person.

5.6.2. County recommends that Users change their passwords every three (3) months to ensure additional password security.

5.6.3. Contractor shall ensure that all Users maintain valid, secure e-mail accounts, which shall be used for self-service maintenance of User Name and password information. In the event that Users forget their User Name or password, User shall adhere to the instruction guides/tutorials provided by County for resetting the User Name or password.

- 5.6.4. Repeated changes to a User's password outside of the recommended three-month period, as noted in Sub-section 5.6.2, herein, shall be monitored and investigated by County and may result in County suspending User's access.

## 5.7. Change in User's Status

- 5.7.1. When a User's status changes (e.g., he/she is no longer employed by Contractor or User's responsibilities change), Contractor's Authorized Representative shall take immediate action to update the User's account profile. Updates to User account profiles shall be approved by County.
- 5.7.2. Contractor shall update User account profiles in the System by removing a User's account once that User is no longer an Employee on this Contract.
- 5.7.3. New Employees/Users
  - 5.7.3.1. When Contractor determines that a new Employee shall receive a User account, Contractor shall adhere to the guidelines established in Sub-section 5.5 (Requesting User Accounts), herein, to create an account in the System.
  - 5.7.3.2. Prior to requesting a new User account, Contractor shall ensure that it continues to maintain at least two (2) active Users and does not exceed the maximum of four (4) Users (pursuant to Sub-section 5.4, herein).
- 5.7.4. Contractor shall regularly review all User account information to ensure accuracy and completeness. Contractor shall ensure that updates are completed whenever administrative changes occur.
- 5.7.5. If County determines at its own discretion that Contractor is creating or removing User accounts too frequently then County shall take appropriate measures to investigate and remedy these occurrences. Upon County's request, Contractor shall provide sufficient justification for these frequent User account updates.

## 6.0 General Policies for Use

- 6.1. County information technology resources are to be used solely for County business purposes.
- 6.2. County may periodically update this Terms and Conditions of Use and the User Acknowledgement Agreement policies. County may also implement

future enhancements to the System. Contractor shall ensure that Contractor and Users adhere to all policy updates as well as any new procedures for using System enhancements.

### 6.3. Data Integrity

6.3.1. Contractor shall ensure that Users maintain the integrity of data they enter in the System, and do not save, store or attach electronic files in the System which do not meet the following requirements:

6.3.1.1. File types must be Word, Excel or Portable Data Format (PDF) documents. Files such as pictures, videos, music, PowerPoint presentations, or other files as determined by County are not acceptable types of documents.

6.3.1.2. File types must be compatible with standard/common national brands, including Microsoft Office 2003 products or later version (Word, Excel, etc.), Adobe Reader 9.0 (or later version) or their equivalent.

6.3.1.3. Files shall not be corrupted (i.e., documents shall be free of viruses).

6.3.1.4. The size limit of each file shall not exceed ten (10) megabytes (10 MB).

6.3.2. Contractor's non-compliance with the data requirements outlined herein will be remedied at County's sole discretion.

### 6.4. E-Mail Alerts and Notices

6.4.1. The System generates automatic e-mail alerts and notices based on the occurrence of certain events. These events may include, but are not limited to, confirmation of executed Contract (or Amendments), request for Contract Document Deliverables, notification of expired Contract Compliance Document Deliverables, etc.

6.4.2. Contractor shall ensure that its Users adhere to all alerts and notices generated by the System. These alerts and notices shall convey and have the same effect and importance as alerts and notices sent by County's Administration (or their designees) as defined in Paragraph 6.0 (Administration of Contract-County) in this Contract and Exhibit E (County's Administration). Contractor shall appropriately respond to all requests for documentation, promptly

adhere to due dates/deadline requirements and diligently follow all instructions indicated in the alert/notice.

## 6.5. Administrative Changes

- 6.5.1. Pursuant to Paragraph 7.0 (Administration of Contract-Contractor) and Paragraph 8.34 (Notices) of this Contract, Contractor shall designate its authorized staff by using Exhibit F (Contractor's Administration). Further, Contractor shall initiate any changes in its staff, including those listed on Exhibit F (Contractor's Administration), by giving written notice to County.
- 6.5.2. When changes to Contractor's staff, address or other items requiring written notice are necessary, Contractor shall:
  - 6.5.2.1. Adhere to the requirements outlined in Paragraph 8.34 (Notices) of this Contract.
  - 6.5.2.2. Upon providing the required written notice to County, update the administrative data in the System, including all User account profile information.
- 6.5.3. Implementation and use of the System shall not excuse Contractor from adhering to the requirements for providing proper written notice to County when changes occur in Contractor's administration.

## 7.0 Monitoring

- 7.1. All County information technology resources are subject to audit and periodic, unannounced review by County.
- 7.2. County reserves the right to administer, monitor, audit and/or investigate Contractor's access to and use of County's information technology resources (i.e., System, e-mails, Contractor-generated data files, etc.). If evidence of abuse or negligence is identified, County will take the appropriate actions to remedy any areas of Contractor's non-compliance.
- 7.3. During County's monitoring of User activities, unusual practices will be investigated and reported to County's Administration. County will take the necessary steps to remedy Contractor's inappropriate use of the System. Unusual practices may include, but are not limited to, the following:
  - 7.3.1. Users frequently accessing the System during non-business hours (pursuant to Sub-section 3.4 (Accessing the System During Non-Business Hours), herein).

- 7.3.2. Contractor not maintaining the minimum and/or exceeding the maximum number of Users at any point in time (pursuant to Sub-section 5.4, herein).
- 7.3.3. Users changing their passwords more than the recommended limit (pursuant to Sub-section 5.6.4, herein).
- 7.3.4. Contractor frequently changing its Users (pursuant to Sub-section 5.7.5, herein).

## 8.0 System Maintenance and Technical Assistance

- 8.1. To ensure proper operation of the System, County will periodically perform routine System maintenance activities. Since these activities will impact the ability of Users to access the System, County will notify Users when they attempt to login that System maintenance is occurring and County will indicate the time when the System will become available. Generally, System maintenance activities will occur during non-business hours (e.g., weekends, late evenings, County-recognized holidays, etc.) to limit the impact to Users.
- 8.2. County will provide assistance to Users in the event of technical difficulties that may occur while utilizing the System. Technical assistance will be provided as follows:
  - 8.2.1. Monday through Friday, 8:00 a.m. to 5:00 p.m. (excluding County-recognized holidays).
  - 8.2.2. County's Administrators
    - 8.2.2.1. Ms. Tsotso Odamtten may be reached by phone or e-mail, respectively, as follows: (213) 738-2663 or [tsotso@css.lacounty.gov](mailto:tsotso@css.lacounty.gov).
    - 8.2.2.2. Ms. Lynn Tran may be reached by phone or e-mail, respectively, as follows: (213) 739-7393 or [ltran@css.lacounty.gov](mailto:ltran@css.lacounty.gov).
  - 8.2.3. County will follow-up on requests for assistance from Contractor within at least two (2) business days during the traditional work week (pursuant to Sub-sections 3.4.2 and 8.2.1, herein).

## **EXHIBIT S**

### **Performance Requirements Summary (PRS) Chart**

County retains the right and sole discretion to establish a Performance Requirements Summary (PRS) detailing the Contract requirements and any financial penalties for non-performance.